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Third Session of the 30th Parliament

Tuesday, November 23, 1976

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

SUCCESSION LAW REFORM ACT
(continued)

Resumption of the adjourned debate on second reading of Bill 85, An Act to reform the Law respecting Succession to the Estates of Deceased Persons.

Mr. Singer: Mr. Speaker, I'm very happy to add a few comments to this Bill 85. We're under somewhat of a handicap because—

Mr. McCague: No doubt.

Mr. Gregory: We've noticed that.

Mr. Singer: We're under a handicap because of the performance of the Attorney General (Mr. McMurtry).

I asked him a few days ago—I had seen a squib in the paper to the effect that Bill 85 was going to be withdrawn and a new one introduced and he said, no, no.

Well, he hasn't really withdrawn it. He hasn't really introduced a new bill. In fact, he has something called "reprinted for the consideration of the administration of justice committee" which, I suppose, is fair enough.

But this being a very multiple bill with a whole flock of sections and we in the opposition not having seen it—the member for Riverdale (Mr. Renwick) and my colleague from Ottawa East (Mr. Roy) and I not having seen it until now, it places us under a very severe handicap. Some 83 sections of very important statutory provisions suddenly being presented to us a couple of hours ago —with two hours intervening for the dinner period.

Hon. Mr. McMurtry: On a point of personal privilege, Mr. Speaker.

Mr. Renwick: Point of order.

Mr. Speaker: Point of order.

Hon. Mr. McMurtry: Point of order. We indicated to the hon. members opposite that there were going to be a number of amendments. The printed bill was available only this morning in the present form. Really, it's to accommodate the members opposite that we had it reprinted. I can assure you, Mr. Speaker, that there's no change in the principle of the legislation, and the second reading is, of course, a debate on principle.

Mr. Haggerty: Just general housekeeping.

Hon. Mr. McMurtry: We had these amendments incorporated in a reprinted bill for the convenience of the members of the Legislature. So I must protest the implication—

Mr. Nixon: You made a mistake, Roy.

Hon. Mr. McMurtry: —that we have in some way acted improperly.

Mr. Warner: He's being mischievous. Pay no heed.

Mr. Speaker: As the hon. member, I'm sure, is aware, we're dealing with the bill as printed, which is the original.

Any other document you might have is irrelevant as far as the discussion is concerned. We're discussing the principle of the bill. If the hon. minister has informed the opposition or the members of the House as to changes he contemplates, however, that's outside this point of view.

The fact is that we're debating Bill 85 as it was originally printed in principle, and if there's no change in principle, why, really, that's the document we're discussing anyway.

The hon. member for Wilson Heights may continue.

Mr. Haggerty: That's not the bill.

Mr. Singer: Mr. Speaker, with great, great respect to what you have said, and with great respect to what the Attorney General has said, I must take exception to what you have both said—very serious exception because, Mr. Speaker, notwithstanding the Attorney General's out of order comments on a point of order about having done something for us by way of conveniencing us, both my colleague the hon. member for Ottawa East and I received no notice at all there was going to be a redraft of the bill.

Hon. Mr. McMurtry: Is this a pre-marital separation that is going on over there?

Mr. Singer: No notice at all, and I've just consulted with him and he says he didn't receive one and I certainly didn't receive any such notice.

Hon. Mr. McMurtry: Starting the honeymoon early, Albert?

Mr. Singer: Mr. Speaker, if you look at this bill I know you would be aware as you read it there are 85 sections in this and each one of these 85 sections enunciates a new principle of law, so it's almost impossible to debate any one of these sections individually. I would think legitimately we could question what is before the House. I'm not prepared to do that. We want to expedite the business of the people of the province of Ontario unlike our colleague, the Attorney General.

We are prepared to take this to the committee where it will be appropriately discussed. I enunciate and underline the unfairness of the approach of the Attorney General and I hope this will be well looked at and well recorded. The Attorney General has been most unfair to us in this approach.

Mr. Nixon: Undemocratic, one might say.

Hon. Mr. McMurtry: Nonsense.

Mr. Singer: Just a few hours ago he presented to us a brand new bill, changed in principle—

Hon. Mr. McMurtry: It's not a new bill.

Mr. Singer: Do you know why, Mr. Speaker?

Hon. Mr. McMurtry: Point of order. He is attempting to mislead the House—on a point of order—

Mr. Speaker: Order, please. No I don't think that—

Mr. Singer: No, he didn't have a point of order before.

Mr. Breithaupt: This is ridiculous.

Hon. Mr. McMurtry: This is not a new bill.

Mr. Speaker: Order, please.

Mr. Nixon: You can be named for that.

Mr. Speaker: The only bill we have before the House is the original Bill 85 and the hon. member for Wilson Heights may proceed on that premise.

Mr. Singer: Mr. Speaker, since we are making such an issue out of it, I have another document in my hand that says "Bill 85, reprinted for consideration by the administration of justice committee."

Hon. Mr. Welch: There are cubs and scouts in the gallery. Be honest.

Mr. Singer: Now which one are we debating? Are we debating this bill or the one that's reprinted apparently for our convenience?

Hon. Mr. Welch: Bill 85.

Mr. Nixon: You put two bills 85 on our list.

Hon. Mr. Welch: What?

Mr. Speaker: Order, please. I have already announced—

Mr. Singer: I have to say—

Mr. Speaker: Order, please. There's only one bill before the House and that's the original Bill 85.

Mr. Nixon: Is that 85 or 85?

Hon. Mr. Welch: No, we have just shared some amendments with you.

Mr. Singer: Mr. Speaker, there is no way of intelligently discussing—how many principles? Eighty-five different principles?

Hon. Mr. Welch: No, the finger—

Mr. Singer: By coincidence, there are 85 different principles in Bill 85. There are 85 sections. Most of them have been changed.

Hon. Mr. Welch: It's just that the finger is different.

Mr. Nixon: It's just pointing the wrong way.

Mr. Singer: No, the hon. House leader of the Tories again is wrong. He wasn't very successful in the administration of justice field; nor is his successor.

Hon. Mr. Welch: Very consistent.

Mr. Singer: I'm sorry. If he wants to go back and replace the hon. Attorney General (Mr. McMurtry), that's fine, but he is not charged with the carriage of this bill tonight.

Hon. Mr. Welch: I never go back, only forward.

Mr. Ferris: Never lost in any.

Mr. Speaker: There are 10 minutes wasted. We'll get on to Bill 85.

Mr. Singer: Mr. Speaker, we have lots of time. If there's anything we have here, we have time. I want to put fully before the House the fact that we are not debating the bill as it was originally put before us. We are debating a bill as suggested—

Hon. Mr. Welch: Would the member hurry up so the Attorney General can speak in his riding tonight? He is filibustering to keep the Attorney General out of his riding.

Mr. Roy: Maybe he should. That's going to give you a few more votes.

Mr. Singer: If he wants to come it'll do him no good but he's welcome. We'll give him a passport as he crosses the border. It did him no good last time and won't do him any good this time.

An hon. member: You'll get another thousand votes if he goes into your riding.

Hon. Mr. Welch: He is filibustering to keep the Attorney General out of his riding. Meanwhile, what point was he talking about again? It is the finger.

Mr. Speaker: Would the hon. member for Wilson Heights continue on Bill 85 as originally printed?

Mr. Singer: Would you keep the member for St. Catharines quiet?

Hon. Mr. Welch: St. Catharines? Brock.

Mr. Singer: Mr. Speaker, I think it is an imposition, and I say this quite seriously—

Mr. Maeck: Why don't you give up while you are ahead?

Mr. Singer: It is a great imposition upon us to be called upon to debate two bills at the same time. It is most unfair.

Hon. Mr. Welch: In the same day.

Mr. Singer: We are very fortunate that we have an intelligent submission put before this House by a group of very leading solicitors, important solicitors—Malcolm Archibald of the firm of Weir and Foulds; Brule of the firm of Blaney, Pasternak; Mary Louise Dickson; David Fuller; Alex Langford; Ralph Scane who is a professor; and J. J. Wardlaw —who have been able to convince the Attorney General and his draftspeople, some of whom are sitting over there—

Hon. Mr. Welch: Persons.

Mr. Singer: —that the bill they originally presented to us was really inadequate and improper and should be changed in several material aspects.

Unfortunately, being presented with the revised bill just a little while ago has destroyed all of the preparation we did in connection with the 85 sections the Attorney General put in his original bill. There are many serious errors in law which—

Hon. Mr. Welch: Housekeeping.

Mr. Singer: —fly in the face of established custom; fly in the face of equity; fly in the face of reasonableness.

Hon. Mr. Welch: You can sure recognize that.

Mr. Singer: I think the Attorney General should be condemned by all of us for bringing this legislation before us in the manner he has done.

Interjection.

Mr. Singer: Having said that, Mr. Speaker, I don't think that reasonable debate—

Mr. Ferris: Could we have the attention of the Attorney General, do you think?

Mr. Singer: Yes, without the intervention of the clerk. Having said that, I think it would be appropriate, as the hon. member for Riverdale (Mr. Renwick) pointed out, that we get this bill to committee just as quickly as we can so that—

Interjection.

Mr. Makarchuk: Don't provoke him.

Mr. Singer: The member for Brock (Mr. Welch) is feeling no pain at all tonight. Let's get on with the bill without the interjections.

Hon. W. Newman: Speak for yourself.

Mr. Makarchuk: Expedite the bill.

Mr. Singer: Having said that, let us get the bill to committee as quickly as we can so that we can have the advantage of the opinions of this committee—a group of intelligent persons who are knowledgeable in this field of law and who are going to suggest a great number of changes. It is impossible for us to debate the revised bill before us reasonably and adequately, with all due respect, sir. The revised bill is what is before us because that is the bill the government is pushing forward. The minister may shake his head as long as he wants. That is, in fact, the bill being put before us.

There are several things which have to be said even about the revised bill. One major concern—and I would like to hear the Attorney General's opinion in due course—is why the whole process of dealing with mental incompetence is not revised. Why do we have the complicated procedure of bringing an application under The Mental Incompetency Act, getting an order declaring certain persons incompetent, dealing with their estates and/or their person and then having to go to a judge of the Supreme Court to have confirmation of a plan for dealing with the estate and its management in that kind of event?

It's a throwback, I suppose, to the old United Kingdom system. When the minister brought this package before us those ramifications were not considered by the advisers to the Attorney General. Why there has to be this double kind of review and the double kind of legal costs which result from it, I don't know. I would like to hear, somewhere along the line, as we deal with this important part of this package why there is not some recommendation for modernizing this ancient kind of procedure.

It's a complicated one. May I tell you, Mr. Speaker, it's a procedure that is best known by certain administrative people in the offices of the clerk of the county court of the judicial district of York rather than the judges. When the applications go forward in their ancient form the final arbiter really is someone who has sat in that office and is knowledgeable about the procedures. It is not really the judge who leans very heavily on the administrative advice of the clerks or the assistant clerks in that office. Why that has to continue I don't know.

All that having been done, orders having been entered and costs having been taxed, there has to be another application to a judge of the Supreme Court to confirm a plan for the management of the estate of a mental incompetent. It's part and parcel of this kind of a concept and I think it's most unfair and most inequitable. When the Attorney General brings before us a package supposedly to deal with all of these things, surely he should have given some consideration to that?

Let me return to a theme which I have enunciated in this House a number of times, and that is the roles of the Official Guardian and the Public Trustee. We are going to the very root of the handling of personal affairs and the affairs of the estates of people who are unable to look after themselves. What role do we expect our public officials—the Public Trustee and the Official Guardian to continue to play?

They stand aside today. I don't criticize the holders of these offices for a moment but by reason of the provisions of the statutes which govern their conduct and lay down the rules by which they are supposed to operate, they are able to stand aside from the needs and the requirements of people who look to public authority for assistance and guidance and care for their estates. What are the three groups of people suffering under disability—imbeciles, incompetents and infants.

Hon. Mr. McMurtry: And Liberal MPPs.

Mr. Nixon: Where do judges come in?

Mr. Roy: And a few Tories.

[8:15]

Mr. Singer: We have nothing really dealing with those people as we bring this package before us. Surely it would have been appropriate if, as part of this package, we have before us amendments to the Act governing the conduct and the duties of office of the Official Guardian and Acts governing the conduct and the duties of office of the Public Trustee so that there would be, really, a complete package here. So that when there were these gaps in public concern about the handling of estates—not just who would inherit, not just what happens when there are incompetents who become beneficiaries, who looks after their interests—the Attorney General would have been there as their guardian and he isn't. He isn't because he is only appearing with a part of the package.

I have raised this over many, many years in the estimates of a series of Attorneys General and it is not only the fault of the hon. member for Eglinton (Mr. McMurtry). It is the fault of he and lo, his many predecessors. But I would have thought that when we had this whole package—and if he looks at McRuer, McRuer had some views about what the Public Trustee should be doing. I don't know how many lawyers there are in this House who tried to convince the Public Trustee and/or the Official Guardian to get into something that's difficult, to get into something where there is a need for public protection but it is a very, very hard job.

So my second major criticism is that the package is less than complete. It is difficult, if not impossible, to enter into a debate on this statute in principle. With all due respect, we cannot debate the statute that you refer to as the one that is printed because it's a different statute, the one that the Attorney General has presented to us, even though he says it's for our assistance and guidance.

Yes, it's for our assistance and guidance as presented to us by the members of this illustrious committee. Thank goodness we have them, because without them it would have been very, very difficult to enter into kind of a debate. I say we want this reform in the law. We will support it on second reading but this debate cannot go by without this kind of criticism being levelled at the Attorney General and without the urgent request and demand—yes, demand—from us saying to him: "What are you going to do about these other public officials?"

These are part and parcel of the whole package. What do you do about the Public Trustee? What do you do about the Official Guardian? Why aren't these offices modernized as well as other facets of the law? When you bring in that package, you will have taken a very substantial step to modernizing this whole field of law which is most important indeed.

Mr. Cassidy: I want to raise some concerns about Bill 85 and whether it is in the new form or the old form doesn't much matter. I know the committee will have a chance to look at the proposed amendments which have been made by the ministry after representations by the legal fraternity. I am concerned however on a more fundamental matter and that is—

Mr. Maeck: I didn't know this bill had anything to do with rent control.

Mr. Cassidy: I should tell the member for Parry Sound—

Mr. Speaker: Ignore the interjections and back to the bill.

Mr. Cassidy: —that rent control is not the only important issue facing the province. That's a great concession.

Hon. Mr. Welch: What an admission from Ottawa.

Mr. Cassidy: These three bills were presented as a package and they are being debated as a package. However Bill 85 does not fit in, it seems to me, with the family law reforms which we debated yesterday and wound up debating today.

I am concerned that the principles that have been adopted about the property rights and the economic partnership of marriage which accrue to the weaker spouse, usually the woman, and which are recognized in The Family Law Reform Act which we have just debated on second reading, don't extend to this particular bill. I would hope the minister would reply in detail as to why the government chose not to revise this bill substantially after it had decided over the summer on the principles that would be followed in The Family Law Reform Act.

Very specifically the proposals which came forward in the spring and which seem to survive substantially now are that where a person dies intestate and has one child then the kid gets half of the estate after $75,000. The child gets half of the estate after an initial amount of $75,000, assuming the estate is larger, goes to the spouse. If there is more than one child, after the first $75,000 is given to the spouse, then the spouse is only entitled to one-third of the residue.

Where there is a substantial estate then, the spouse may find himself or herself entitled to maybe as little as 30 or 35 per cent of the total value of the estate. I'm not sure whether that is adequate recognition of the economic contribution which was made to the marriage. I'm also not sure whether it makes sense to have a completely different and, I understand, older set of rules governing the disposition of the estate of somebody who dies without a will than the rules that govern what happens to the assets that have been built up by a couple under The Family Law Reform Act.

The procedures for intestate succession may or may not work. They still do guarantee a substantial proportion of the estate for the spouse. I think the minister could probably argue fairly that, if one takes into account that first $75,000, which will equal more or less the value of at least half of the family assets that most ordinary families will build up in a lifetime, then some kind of justice is done even though the rules don't exactly correspond. However, it seems to me that things are much worse under this bill where a husband, if he is the economically richer of the two, dies and actually has a will and where the matrimonial home and the other family assets as they've been defined in the other bill happen to be in his name.

They are worse in particular if for years he's been nursing a grudge against his spouse, he's vindictive, he has a will which has been deposited with his lawyer and he has not in any way consulted with his wife. She may wake up the day the will is probated to find he has attempted to leave her literally without a penny. At that point there are suddenly enormous changes. Money isn't available. She finds that the money has all been left to the

children or else it has been given to some charitable society or else donated to his former college or something like that. The purposes to which the money may have been put may have been quite well-meaning, but her economic contribution to the partnership of marriage is not recognized.

There can be a number of situations where I think that's important and relevant. In the first place, the courts are enjoined under section 58 and 62 to consider the support obligations, the need for support of the dependants, which include the spouse in the case where the will does not make adequate provision. I presume that will be where a spouse makes application to the court and says: "I've been dealt with unfairly in this will and I want you to try to correct it."

They also have to consider the economic circumstances of the spouse who's making that particular application. For example, they have to consider the financial resources and benefits which a defendant has and his wife could have in the future. It's a more and more common situation to have a couple, for example, in their forties, where the children have grown up and the wife has gone back to work and has begun to earn a decent income and has prospects of a successful career through her fifties and sixties. She, therefore, doesn't really need substantial support because she's earning her own way. Under those circumstances a will of her husband, who nursed a grudge or for some other quixotic reason decided to cut her off without a penny and give all the money to the children or to some charity or to his brother-in-law or somebody else like that, would be perfectly in order.

I think that according to the bill as it stands, the courts would not be able to shake that will, regardless of whether or not there was any economic contribution which would be recognized in the partnership in the case that that marriage had been terminated by a marriage breakdown rather than by the death of the husband.

This would likewise be the situation where a support order was sought, but the wife or the widow had taken up with somebody else who had substantial means. It says here that if a dependant is cohabitating with another person the financial circumstances of that cohabitation are to be borne in mind when the question arises as to whether or not there should be a support order.

I am not clear whether these support orders could be varied or whether you can only have the once-in-a-lifetime kind of support order. But if there was any opportunity for variation then it means that whatever support the wife might get from an estate in a case where by will her spouse had not desired to give her support, that support would end. The need or the justification for the court order, would end at such time that the wife began to cohabit, either by remarriage or by a common-law relationship, with somebody else who was capable of supporting her.

That in turn perpetuates the view that the wife is simply a piece of baggage, a kind of property, and that her contribution to the economic partnership of marriage should not be recognized. That, it seems to me, is what this bill is still saying—despite the fact that The Family Law Reform Act is trying to say something rather different.

It seems to me, Mr. Speaker, that in the bill there should be protection for the spouses comparable to the protection which exists in The Family Law Reform Act. A spouse whose marriage terminates through death of the partner should not be put in any worse situation than that spouse would have been if that marriage had been terminated through marriage breakdown. It seems to me that the way that has to work is probably this: Rather than leaving to one partner the right to unilaterally dispose of the family assets and the marriage property as well as the business assets that that partner may happen to have, without any consultation or concurrence on the part of the spouse, at the very least the rules for sharing of the estate, or of the family assets that are brought in under The Family Law Reform Act, should apply on the death of one of the partners, whether or not there is a will.

Where there is a will which seeks to vary those conditions—seeks to alter a strict splitting or a minimum split of the family assets or whatever else we succeed in getting put into the pot which is going to be divided—where there is a will which seeks to divide it differently it seems to me that that should be by consent of the surviving spouse. Therefore, what is required is either an addition to the marriage contract or some other form of agreement by which the spouses agree to a different sharing in the case of death.

I know that the minister will say that is possible under a marriage contract—that a contract can determine how family assets are to be divided upon death. The problem is that that is not required. That is only an option. I would suggest that it is still possible, after the economic contribution that a wife makes to marriage, for her to have absolutely no recognition under a will and for that wife to

be unable to enforce any kind of equitable sharing in the courts, under the bill as it stands at this time. Thus it seems to me that that is not a thoroughly modern piece of legislation. It is a retrograde piece of legislation.

I would hope that the minister would agree that the points I raised are valid, and would agree that he will carefully consider and probably accept amendments to this effect when the bill gets into committee.

Mr. Roy: I would just like to make a few comments about the legislation. I think the Attorney General (Mr. McMurtry) and all of us here should be very thankful to the committee members from the bar association. Their contribution is very obvious once we look at the reprinted version of Bill 85 and all the amendments.

[8:30]

Apart from the provisions dealing with wills, I suppose most of this legislation is of interest basically to the technicians and the lawyers involved in estate work. Those of us in the legal field who are involved with more mundane things like defending people charged with driving without care and control, driving while impaired and that sort of thing—

Hon. Mr. Rhodes: And prosecuting drug cases for the federal government.

Mr. Singer: Murders.

Mr. Roy: Yes, murders, wiretapping and all of those things—we're not technically qualified to look into this type of legislation in any depth.

I suppose one of the major amendments in this legislation that is of interest to the public has to do with holograph wills. After this legislation is proclaimed, people will be able to write out their own will in their own handwriting and at that point it will be valid. Through the years as you know, Mr. Speaker, there has always been something mystical about wills. When people walk into your office, they're sort of shaking; they're looking at you with a certain amount of trepidation—

Mr. Cassidy: You guys create that mysticism.

Hon. J. R. Smith: Do you know where the prosecutor—

Mr. Roy: My God! Did I say something wrong? I've turned everybody on.

Mr. Ruston: You woke them up.

Mr. Cassidy: It's the trade unionists we worry about, though.

Mr. Roy: Can't you talk about anything else but trade unionists?

Mr. Deputy Speaker: I believe the hon. member for Ottawa East (Mr. Roy) has the floor.

Mr. Roy: Thank you, Mr. Speaker. For people in this community in the province of Ontario I think it's a step that conforms with many other jurisdictions where they were able to do this, and I think it's high time we allowed this to happen in Ontario. After all, the way lawyers were cranking out wills I sometimes wondered whether there was any more preciseness or, if the will was challenged, whether they would have been more help to the courts than if the testator himself had written out the will in his own handwriting.

There's one other aspect of the bill that is of concern—and I think the Attorney General still has an open mind on it—and that's the amendment that he is going to be seeking to section 1(3) of the legislation. That subsection says that in the will, unless there is an intention to the contrary, "a reference to a person in terms of a relationship to another person determined by blood or marriage shall be deemed to include a person who comes within the description notwithstanding that he or any other person through whom the relationship is traced was born outside of the marriage."

We're dealing here basically with illegitimate children. The wise and honoured members of the committee suggested that should be changed and should apply only to wills made after July 1, 1977. I'm not sure, but I guess their concern was that it would be too much of a burden on people right across this province who had made their wills when this particular law was not in force and then would have to go back and make some changes. Considering the outstanding citizens of this province, it would have not applied to that many in any event, nevertheless it would be of concern to some of these people who would have to go back and change their wills. Or, as suggested by the members of the committee, it might have been a problem for those who were not in a position or did not have the testamentary capacity to change their wills.

I think the amendment, as contemplated by the hon. members and as proposed by the Attorney General, is in some ways offensive to the whole package of this new legisla-

tion, the family property legislation, The Marriage Act and so on, because you know we seek, in Ontario, after this legislation, to legitimize children born out of wedlock. We proceed further to give some status and some obligations and rights to common law relationships and children flowing from that type of relationship. Yet under this we may be 50 years down the way where we're still saying that certain illegitimate children will be denied because the wills were made before July 1, 1977.

When I look at this, I've yet to be convinced personally the amendment is a good one. There may well be circumstances where the testator does not have the testamentary capacity at this point, and in that case possibly an order of the courts might be required, let's say, to make an exception. The fact remains that it just seems to me that if we're following a principle, if we're legitimizing children in other aspects of this legislation, if we're giving rights and privileges to common-law unions—illegitimate children under this section at least will be affected—it seems to me that having taken that step, by agreeing to this amendment we're into a position where we're as many as 50 years down the way before, in fact, there's full recognition of the heritage of illegitimate children, looking at people who are deemed to benefit under wills.

I look at it and I'm not sure. I say this with maybe not as much technical knowledge as the honoured members of the committee. But still I have some question about it, and I think the Attorney General has as well, whether we're really correcting a real problem or in fact just trying to make this too neat, while at the same time offending a basic principle of this legislation.

Having raised these two matters, there's really not that much to get excited about under the bill. I would just mention one thing —I think it was referred to by the member for Ottawa Centre (Mr. Cassidy)—just to ask the minister, if this legislation will repeal The Dependants' Relief Act what happens? Is there any recourse for a dependant or for an heir? As the minister knows, if somebody in succession now feels that he does not benefit under a will—

Hon. Mr. McMurtry: It doesn't do away with it. It incorporates it.

Mr. Roy: It incorporates it in the legislation. Possibly that answers my question, because I was just thinking: Is there something to cover that ground if we do away with The Dependants' Relief Act? I'd be anxious to see what section it is because, as you know, there were many circumstances in which The Dependants' Relief Act was used and I think it was a necessary piece of legislation.

Hon. Mr. McMurtry: Part IV.

Mr. Roy: Part IV.

Hon. Mr. McMurtry: Mr. Speaker, I'll be very brief because I do agree with the hon. member for Riverdale (Mr. Renwick) that the appropriate place to debate this bill, at this stage, would be in committee. But I will reply very briefly to one or two of the matters that have been commented upon.

First of all, the member for Wilson Heights (Mr. Singer). I found some difficulty in sorting through his eloquence but I gathered he was speaking generally of the law relating to the administration of the estates of a mental incompetent. I think I'd like to just remind him that this law is now being dealt with by the Ontario Law Reform Commission. It will be dealt with in their forthcoming report on the administration of estates as will the role of the Official Guardian and the Public Trustee in relation to the administration of estates. We're naturally awaiting their report with some interest.

I can't agree with the member for Ottawa Centre that The Family Law Reform Act or the concept of sharing should be applicable on death because of our respect for the principle of freedom of testation. This has been respected in our law for about 300 years, and I'm not prepared to recommend a change at this time.

Mr. Cassidy: I hate to say it but that is inequality again.

Hon. Mr. McMurtry: Furthermore, Mr. Speaker, I believe that there is adequate protection by Part IV of Bill 85 in relation to the support of dependants—

Mr. Cassidy: You are making women beg to the courts.

Mr. Deputy Speaker: Order, please. The Attorney General has the floor.

Hon. Mr. McMurtry: —and by the $75,000 preferential share if there is an intestacy. I should also point out to the members that experience in Ontario has demonstrated that there is really very little problem in the area of a surviving spouse's being cut out. As a matter of fact, our own records in the Toronto surrogate court indicate that there are

applications for dependants' relief in less than one per cent of the estates.

But in any event, Mr. Speaker, I look forward to the worthwhile suggestions and the debate that will take place while this bill is in committee. I'm sure all of the members have an important contribution to make, and I look forward to hearing further from them.

Motion agreed to.

Ordered for the standing administration of justice committee.

Mr. Singer: It is the only thing that saves the Attorney General.

FARM INCOME STABILIZATION ACT

Hon. W. Newman moved second reading of Bill 131, An Act respecting Farm Income Stabilization.

Hon. W. Newman: Yes, Mr. Speaker. Wait till I've picked it all up here—

Mr. Roy: It better be good, because if you want our support tonight—

Hon. W. Newman: This is a very important piece of legislation dealing with the healthy development of Ontario's agricultural food industry. The government has made extensive revisions to its original legislation and I think we have overcome any obstacles to passage of the bill.

Certainly we all are in agreement on the bill's main objective. We all want to ensure that our food producers don't suffer a sharp and possibly disastrous decline in income through events beyond their control. We all agree that it's time to help Ontario's farmers maintain their remarkably efficient operations and to plan for the future confidently—

Mr. Warner: Despite your actions.

Hon. W. Newman: —in spite of the teetertotter fluctuations of world food prices.

Mr. Warner: In spite of your government.

Hon. W. Newman: The government of Ontario has consistently argued that farm income stabilization is primarily a federal responsibility.

Hon. Mr. Rhodes: Flower-pot farmer.

Hon. W. Newman: We have pressed our arguments from that basis in almost four years of federal-provincial negotiations and we will continue to do so.

Hon. Mr. Rhodes: Flower-pot farmer.

Hon. W. Newman: There may be some disagreements over details of the—

Mr. Deputy Speaker: Could we have some order, please? All members of the House will have an opportunity to speak to this bill.

Hon. W. Newman: There may be some disagreements over details of the way Ontario's Farm Income Stabilization Act will operate, but I feel sure we can reach a consensus that will enable the necessary machinery to be put in place so that we can get on with the job at hand.

Mr. MacDonald: I thought the minister might have something new to say but he really threshed a bit of old straw, with some weary rhetoric. Mr. Speaker, we shall oppose Bill 131.

Hon. W. Newman: Well, what's new? You have tried it in the press already.

Mr. MacDonald: We shall oppose it because it is an inadequate bill—

Hon. Mr. Rhodes: Not only bureaucrats.

Mr. MacDonald: We are not going to oppose it just in a blind opposition fashion.

Mr. Bain: As always, we are constructive.

Hon. Mr. Rhodes: A new approach for the NDP.

Mr. MacDonald: You will find on the order paper a reasoned amendment. Perhaps I should move that reasoned amendment at the outset so that you will have the context of our—

Hon. W. Newman: Why do you have to? I have it here.

Mr. MacDonald: I know you have it, I'm glad to learn that you have read it.

An hon. member: No, he just said he had it.

Hon. Mr. Rhodes: They got it in a brown envelope.

Mr. Deputy Speaker: If the hon. member for York South would direct his remarks to the Chair, it might avoid some of the interjections from the government benches—

Mr. MacDonald: Thank you, Mr. Speaker. You are always so helpful.

[8:45]

Mr. Deputy Speaker: —including the farm member for Sault Ste. Marie (Mr. Rhodes).

Mr. MacDonald moved that Bill 131 be not now read a second time but be referred back to the government with instructions to incorporate therein:

(1) A formal role for farmers' general and commodity organizations in the development of, and the determination of the terms and conditions of, any plan requested by a group of producers;

(2) Comprehensive coverage for all Ontario commodities which will provide full support up to the negotiated stabilization level irrespective of the actions of the federal government; and

(3) A provision for current costs of production to be reflected in the final stabilization price or prices under any plan with the revised bill to be reintroduced into the Legislature no later than December 1, 1976.

Mr. MacDonald: Mr. Speaker, there are two ways in which one could deal with a bill that is as inadequate as this. One could attempt to move amendments, and if we have no alternative but that we shall do so; but it seems to me that the bill is so inadequate that what really should be done is it should be back to the drawing board and redrafted, because of the fact that it doesn't live up to the principles—well the principles that this House directed the government to consider or the principles the minister on occasion has enunciated in the past.

Hon. W. Newman: But you yourself said that I conformed with all the requirements of the Legislature.

Mr. Deputy Speaker: Order please. The minister has had an opportunity for his opening remarks.

Mr. MacDonald: Mr. Speaker, to you I want to say that the minister has made a gross misstatement. I did not state that he had conformed with the directives of the Legislature; I said that had conformed in consulting with the public, but as usual, having consulted with the public, he didn't heed them.

Mr. Warner: He didn't even send copies of the bill to the farm community.

Mr. MacDonald: As a matter of fact, just on this one point of whether or not it will be more appropriate to attempt a reasoned amendment to set out the guidelines for a redrafting, or attempt to amend the bill as we get into committee, I was interested in a letter I got from the National Farmers Union today, from Blake Sandford, the Regional 3 Ontario NFU director, the second paragraph of which reads simply this:

"The principle of Bill 131 is wrong, and therefore it cannot be amended in committee to a suitable form that would meet the needs of Ontario farmers. We agree it would be tidier to send it back and to draft it in a tidy fashion." But I repeat, if we have no alternative we will deal with it in an amending fashion.

Hon. W. Newman: Is the member taking the NFU's position?

Mr. MacDonald: We are quite willing to take essentially the NFU's position which is not very—

Hon. W. Newman: Let the record show the member supports the NFU position.

Mr. MacDonald: —far removed in anything except peripheral matters from the OFA's position; but both of which are grossly removed from what the minister has presented to this House.

Interjections.

Mr. MacDonald: Have you a sedative for the minister, Mr. Speaker? He is obviously in need of something, and I think it's a sedative.

Mr. Nixon: Your speech will fulfill that purpose.

Mr. Bain: He doesn't have a good farm bill.

Mr. MacDonald: Mr. Speaker, before Bill 131 was introduced there were a lot of speculative news stories—

Mr. Deputy Speaker: I find it passing strange that you should address me and look at the minister.

Interjections.

Mr. Roy: Ah, that will—

Hon. Mr. Rhodes: Explain that one.

Mr. MacDonald: I think we need a double set of sedatives here tonight.

Hon. B. Stephenson: He is just suffering from strabismus, that's all.

Mr. MacDonald: There were a lot of speculative news stories before the introduction of Bill 131 suggesting the government had capitulated, that it was going to capitulate. Well in fact it didn't. The main principles of the bill introduced in June are the main principles of this bill.

It is interesting to note that having been given some real clear directives by this House and sent back to redraft the bill, the government virtually ignored—and I'll detail in which way they exceeded and in which way they ignored those directives of the reasoned amendment of last June.

And, Mr. Speaker, that was really an affront to this House. This House by a majority vote indicated to the minister what he should bring back and he didn't bring back what he was directed to bring back.

In reality the minister has changed none of the fundamentals. It is true he has paid lip service to the principle of voluntary. I assume that in the rather mish-mash bill he brought in in June, the voluntary principle was buried there, too. It is true he now acknowledges the principle of a contributory plan which he didn't in June—it was spelled out in the reasoned amendment of June 15 that he should do that.

The minister has brought in a bill which is not comprehensive. He hasn't brought in a bill which gives farmers an opportunity for meaningful participation. Therefore, on two very major aspects of the directives, he has not responded and therefore the bill is inadequate. In this Bill 131, as in the government's bill last June, what he has done is merely supplement the federal legislation for farm income stabilization. He has declared on many occasions that the legislation in Ottawa is inadequate but he has supplemented it with an equally inadequate bill here.

That is why the bill is not what the farmers are seeking and the farmers have said so, both the NFU and the OFA. There are three main areas of concern, Mr. Speaker. Any time I appear to be looking at the minister it's because he is so attractive that I have to gaze his way on occasion but I am really speaking through you.

An hon. member: Watch him.

Mr. MacDonald: Right. There are three main areas of concern—

Mr. Roy: Are you trying to say the Speaker is not attractive?

Mr. MacDonald: —and these three main areas of concern—I hope the House will grasp this if members haven't, for example, been examining the reactions of the farm organizations. These three main areas of concern have been spelled out by both the major farm organizations in the province of Ontario. Each of them is in essential agreement on where the bill is defective and what should be done about it. The Ontario Federation of Agriculture, which has presented it in some detail to us, spells out three amendments and those are three amendments with which we in the New Democratic Party are in virtual total agreement. If this reasoned amendment doesn't pass, and we have no other alternative, to make you consider a complete redrafting we will move those amendments at the appropriate time.

I acknowledge that in a letter to the minister, the OFA describes the amendments as minor. With respect, the OFA was indulging in a little bit of verbal blandishment. Its members thought perhaps they could kid the minister into believing that the amendments were minor. They aren't minor. They are really quite fundamental changes—

Mr. Nixon: That letter said he had fulfilled all the requirements of the reasoned amendment—the premium is voluntary and there will be consultation with the farmers.

Mr. Warner: Here comes the Tory prop.

Mr. MacDonald: Really? You ought to go back and read it.

Mr. Nixon: Read it yourself.

Mr. MacDonald: Right. I have read it. Mr. Speaker, if both of us would read it together—

Interjections.

Mr. MacDonald: —we would discover, with a little bit more perception, that there's more in the letter than the hon. member for Brant-Oxford-Norfolk (Mr. Nixon) has been able to see.

Mr. Roy: The farmers from downtown Toronto.

Mr. Nixon: It was a very friendly letter from Gordon Hill. He's a fine fellow.

Mr. Ferris: He is concerned about the support price on asphalt.

Mr. Deputy Speaker: The hon. member for York South (Mr. MacDonald) will just ignore the interjections.

Mr. MacDonald: We believe the three amendments which have been proposed by the Ontario Federation of Agriculture are fundamental and we shall seek to have them implemented either through the reasoned amendment or in the committee.

Let me deal with those three areas. Bill 131 fails to provide farmers with any opportunity for a meaningful participation in the whole establishment of a farm income stabilization bill.

Hon. W. Newman: Now that's nonsense.

Mr. Warner: You are interrupting again.

Mr. MacDonald: The minister's bill calls for the establishment of a farm income commission which is to be predominantly of farmers. It is to be a commission of five and if it's to be predominantly farmers—

Hon. W. Newman: Read the bill.

Mr. MacDonald: —I presume a majority of them will be farmers, but any time I have seen a commission around here appointed by the minister it is responsible to the minister. It will be looking after the interests of the minister and it will be made up of appointees who are appointed because they are willing to respond to the directives of the minister and to protect the government's interests. Now we don't—

Mr. Nixon: Mr. Speaker, I wonder if the hon. member would permit a question.

Mr. MacDonald: Sure.

Mr. Nixon: Is he aware that the letter signed by Gordon Hill, dated October 27, says in the third paragraph, "We are very pleased that the programme is to be voluntary, that farmers are to contribute, that all commodities can be covered, that there's provision for consultation with farm organizations, and that there is an opportunity for the federal government to share the costs"?

Mr. MacDonald: Sure.

Mr. Renwick: What is the question?

Mr. Nixon: I'm asking the member if he is aware of this and how he can say that the federation has rejected the concepts in the original reasoned amendment.

Mr. Deputy Speaker: The question was: Is the member aware of that?

Mr. Nixon: Obviously he was—is he aware that the letter from Gordon Hill says in the third paragraph—

Mr. Deputy Speaker: Order, please. The hon. member for Brant-Oxford-Norfolk (Mr. Nixon) posed a question to the member for York South (Mr. MacDonald). He agreed to accept the question. Now please let him answer.

Mr. MacDonald: It is obvious that the Liberal Party has accepted the blandishments of the OFA as to the nature of their amendment as much as the minister. And it becomes equally obvious that the Liberal Party is about to climb into bed with the Tories on this bill.

Mr. Warner: Do you always answer for the minister?

Interjections.

Mr. Deputy Speaker: Order, please. The hon. member for York South can continue now without interruption.

Mr. Nixon: Oh, you are reading between the lines; your speech has been completely ineffective.

Mr. MacDonald: Mr. Speaker, you yourself will—

Mr. Nixon: We are supporting the farmers, not playing cheap politics.

Mr. Ruston: Do you know the difference between a pitch fork and a manure fork?

Mr. Nixon: So far your speech has been completely ineffectual.

Mr. Breithaupt: Does Hill's letter—

Mr. MacDonald: You yourself will have seen that my speech is certainly not ineffectual in terms of the hon. member for Brant-Oxford-Norfolk. He has not been more agitated for quite some time.

Mr. Nixon: You are misquoting the federation.

Mr. MacDonald: And if he gets agitated over nothing then he—

Mr. Deputy Speaker: I am sure the member for Brant-Oxford-Norfolk will enter the debate at the proper time.

Mr. Nixon: Yes, I will look forward to that.

Hon. W. Newman: Now, why don't you start over again and—

Mr. MacDonald: Let's start with the fact I was dealing with, namely a farm income commission which is appointed by the minister but will be responsible to the minister and therefore will be protecting the government's interest. The farmer's don't believe that it is going to be protecting the interests of the farmer.

Hon. W. Newman: I would like to hear it.

Mr. MacDonald: Mr. Speaker—

Hon. W. Newman: You did not read it; you are making a lot of clap-trap. Get down to facts.

Mr. MacDonald: I don't object to the appointment of a commission.

Mr. McCague: How would you like to be on it?

Mr. MacDonald: I don't object to the appointment of a commission as a body to reflect and protect the government's interests. But there is also need for another body; there is also need for a body which is genuinely reflective of and whose personnel will be appointed by general farm organizations and the commodity groups which express an interest to proceed with the development of a farm income stabilization plan, so that the two of them can sit down and negotiate as equals in terms of developing that kind of plan. There's when you'll have a meaningful participation on the part of the farmers.

Hon. W. Newman: Have you read the bill?

Mr. MacDonald: Yes, I have.

Mr. Warner: Keep talking; the Liberals will support you; they will back you.

Mr. MacDonald: Together the farm income commission and such a body genuinely reflective of the farmers could sit down and develop a plan. Together they could sit down and they could negotiate the appropriate price level for a commodity in any given year. That is the kind of meaningful participation that the farmers are seeking and which the minister hasn't granted. Instead, what he has established is going to be a commission which will operate as a group of bureaucrats, like robots.

Hon. W. Newman: That's nonsense and you know it, from the statement in the speech. You are just trying to find something to talk about.

Mr. MacDonald: They are going to follow the guidelines laid down in Ottawa and the guidelines are a simple formula that you look back on 90 per cent of the price for the last five years and you add a cost factor into it and there it is.

Mr. Breithaupt: Sounds like distortion to me.

Mr. MacDonald: I'm sorry, the provincial commission has a job; they have to figure out what five per cent is added to that. It's a sort of a routine, robot kind of a performance.

Hon. W. Newman: You are destroying your credibility with the agricultural community.

Mr. MacDonald: That, Mr. Speaker—

Mr. Bain: You destroyed yours already.

Hon. W. Newman: He is destroying his credibility. Don't do it.

An hon. member: Why should that worry you?

Mr. MacDonald: May I say this to the minister? I started from York South and I built some credibility in the farming community; the minister started from Forest Hill Village and ever since he's become Minister of Agriculture and Food his credibility has sunk.

Mr. Breithaupt: That is a long way from York South.

Hon. W. Newman: You know something, you don't know what it is to work on a farm and slug your butt out.

Mr. MacDonald: With a group of bureaucrats—

An hon. member: Resign, resign.

Mr. Deputy Speaker: Order, please, I admonished the hon. member for York South to address his remarks to the Chair. As a result of your not heeding that, I'm afraid the minister is going to have apoplexy. I insist that you direct your remarks through the Chair and then perhaps the minister won't take them as being personal and directed at him. I think it would be much more productive if you address your remarks through the Chair.

Hon. W. Newman: Come on out and I will show you how to farm some night.

[9:00]

Mr. MacDonald: Mr. Speaker, I trust that you recognize that the word "perhaps" was spelled in capital letters throughout. However, I will attempt to address you, because you are more attractive in any case.

Mr. Germa: He's more intelligent too.

Mr. Bain: He understands farm problems better too.

Mr. MacDonald: This group of bureaucrats that the government is going to have presiding over the destiny of agriculture is going to have farmers on the outside looking in, not having any meaningful role. That is the reason we think this bill is sadly deficient in one way.

In fact, let me put it in a farmer's terms if the minister doesn't think my observations are credible. For example, I happen to have

here a copy of Farm and Country for October 12, which appeared after that electronic disaster that the minister organized in 10 different meetings across the province of Ontario. The report was headed "Demand Farmer Role" and the first two paragraphs read as follows:

"Many Ontario farmers want the income stabilization plan redrafted. That message rang out loud and clear at 10 general meetings held simultaneously across Ontario last week. Chief objection to Agriculture Minister William Newman's early summer proposal is that the farmers don't have enough say in determining support prices.

"During the electronic talkathon"—that is a lovely description of it—"linking the meetings with Newman's Toronto office, Perth hog producer Wally Keller snapped that leaving price calculations to bureaucrats is completely unacceptable." Amen. I agree. That is precisely the point that I am attempting to make.

Hon. W. Newman: Do you know something? They don't even know what we said about the bill.

Mr. Deputy Speaker: The minister doesn't have to respond to everything that is said by the person who has the floor. He will be given an opportunity during the windup.

Some hon members: Name him. Name him.

Mr. Deputy Speaker: I would appreciate it if the minister would try to constrain himself.

Hon. W. Newman: Mr. Speaker, on a point of order?

Mr. Deputy Speaker: Do you have a point of order?

Mr. Breithaupt: The minister is wound up now.

Hon. W. Newman: On a point of order. If the member will speak to the principle of the bill, I will be very happy to listen to him. But all the asides that are going on that are not accurate are another matter. If he wants to stick to the principle that we are talking about on second reading, I am prepared to sit here and listen.

Mr. Deputy Speaker: That is not a point of order. I consider what the member is saying is addressing himself to the principle of the bill.

Mr. MacDonald: Mr. Speaker, if the minister doesn't even recognize the principles of this bill, he can leave. If he hasn't recognized them after six or eight months of attempting to promote the bill, then he might as well leave.

Mr. Maeck: Be careful.

Mr. MacDonald: Let me proceed to the second area in which this bill is very deficient. Technically, the minister says, this bill is a comprehensive bill in terms of covering all commodities. In reality it isn't comprehensive. In fact this bill is really more defective than the bill that the government brought in last June. The bill that was brought in last June at least said that any product that isn't covered by the federal stabilization plan, or by a marketing plan in the province of Ontario that is exercising price and commodity powers, will be covered under the government bill. This one isn't going to cover everyone.

What this bill is relying on is Gene Whelan in Ottawa naming any product. This government is willing to accept the assurances of Gene Whelan that if a product drops below 90 per cent of the average of the last five years, then it will be named and it will come under the federal stabilization plan. The government may be willing to accept that, and the Liberal Party here may be willing to accept it.

Mr. Warner: They'll accept anything.

Mr. MacDonald: —but we won't, because Gene Whelan's verbal assurances aren't worth the paper they are written on. The record speaks for itself.

Mr. Breithaupt: Verbal assurances aren't written down on anything.

Mr. MacDonald: Has the minister got it written down?

Hon. W. Newman: Yes.

Mr. MacDonald: Mr. Speaker, if the minister has got it written down, I would like him to ponder this for a moment.

Interjections.

Mr. Ferris: Have you written any good verbal agreements lately?

Mr. MacDonald: The minister has stated that he has written assurance from Gene Whelan that if a product drops below 90 per cent of the average of the last five years it will be named under federal stabilization. I ask you to contemplate for a moment why it is, for example, on the cow-calf plan where the price has been away below 90

per cent and the government in Ottawa has been talking about establishing a national plan, we still are waiting for it. Why is it in many other products that have dropped below 90 per cent we are still waiting for it?

I will agree with you that Eugene Whelan would do this if he could. But Eugene Whelan has the same problem as this minister in this government has. He's isolated; he's alone; he doesn't really have the backing of the Treasury Board. The Treasury Board in Ottawa won't underwrite it and, therefore, his promises aren't worth anything.

Hon. W. Newman: That's not correct.

Mr. Breithaupt: Not proven.

Mr. MacDonald: The net result is that a plan that isn't named and drops below the 90 per cent is not going to get even as good coverage as it would have received in the plan last June. Because if the market prices drop down to 60 per cent or 80 per cent of the average of the last five years, all this government is willing to do is to piggyback its extra five per cent on to that 60 per cent they get out of the marketplace; and 65 per cent isn't going to be adequate. That is what farmers have stated, and they've stated very firmly.

Hon. W. Newman: No, that's not correct. Why don't you understand it before you talk?

Mr. Foulds: Call him to order, Mr. Speaker, you do it to us. Call him to order. Let's have some impartiality here, Mr. Speaker.

Mr. Lewis: What conceivably was wrong with that point?

Hon. W. Newman: He said 65 per cent.

Mr. Lewis: You have a hearing problem, which compounds your other problems, which are manifold.

Hon. W. Newman: I don't have a hearing problem.

Mr. Lewis: Why don't you return to your normal, docile habitat and listen? Listen.

Mr. MacDonald: Let me turn now to the third area in which this bill is deficient.

An hon. member: Not another one?

Mr. MacDonald: Yes, another one; three of them. No meaningful participation by farmers. The second one was that it doesn't cover all products in a real sense, only technically does it do it. And now I'd like to turn to the third one.

There is no real mechanism for negotiation—I alluded to this in point one—on the part of the farmers to get a price. There is no real intent on the part of this government, as in the case of Ottawa, to pay the farmers in accordance with current costs of production, instead of the irrelevant 90 per cent of the five years that have passed. This is what the farm union condemns, out of hand, as being inadequate and fundamentally wrong in principle.

Hon. W. Newman: Why don't you spell out current costs? Say what you mean.

Mr. MacDonald: One of the Liberal members, a week or so ago—

Mr. Deputy Speaker: I don't think a minister has ever been named in this House before, but if you press me I'll do it. Just try to control yourself.

Hon. W. Newman: Mr. Speaker, I am sorry, but on a point of order—and I say this in all sincerity—this bill means a great deal to me and to the farmers of this province. I just want to make sure that the facts are put forward straight, and they are straightforward as far as the principle of this bill is concerned. If that's done then I'll be quiet.

Mr. Deputy Speaker: I have read the bill and I'm going to insist that all people who speak to it address themselves to the principle of the bill. But you can't continue to interrupt every time an opposition member attempts to make a point. That's not the idea of second reading of any bill in this Legislature. You don't have the right, any more than any other member, to interject any time anybody makes a statement you happen to disagree with. I'm going to have to insist that you adhere to the rules the same as any other member of the House.

I would like, again, to admonish the member for York South: Speak to the Chair and maybe you won't be as provocative to the minister as you have been in the past.

Mr. MacDonald: Mr. Speaker, if you think that will help, I'll be glad to speak to the Chair.

Mr. Deputy Speaker: Let's try.

Mr. MacDonald: You will have noted a moment ago, when we were rudely interrupted, that the query was put to me as to what were cash costs. Interestingly enough, without me listing all of the cash costs, a

week or so ago one of the Liberal members in the House asked the minister and he spelled them out. Those are the cash costs that are listed in the federal legislation and which this government has accepted totally. But what their cash costs do not include, and what farmers in both of the major general farm organizations have been seeking, is a cash cost that is realistic and covers the cost of labour—not just hired labour, but payment for the farmer himself.

Surely the farmer is entitled to some calculation in terms of the labour he puts into production of the food that we all want. Cash costs, food, labour and some adequate return on investment—not the inadequate kind of return that is in the calculations at Ottawa which this government, once again, has accepted totally. I repeat, what they're doing is just supplementing the inadequate bill in Ottawa with their equally inadequate bill here in Queen's Park.

I want to stress that there's a fundamental difference between the New Democratic approach to farm income insurance and that of the Liberals in Ottawa and the Tories in Queen's Park. The Tories and the Liberals are in favour of so-called farm income stabilization. Farm income stabilization is really stabilizing prices, not in terms of the reality of today but in terms of some average of years in the past—stabilizing farm prices at a level when farmers are on the verge of bankruptcy. It's really just saving them from bankruptcy.

Our concept of farm income protection is that farmers shall have the assurance that they're going to be covered for their cost of production plus a fair return on their labour —their own labour as well as their hired labour—and a fair return on investment. That's the fundamental difference. We stated it in June and we restate it here once again.

I acknowledge that the arguments you get constantly from the Tories and periodically from the Liberals is that if you were to set prices at that level, they would be incentive prices at which farmers would overproduce. Mr. Speaker, let me remind you this is going to be a voluntary plan. No group of farmers will come in unless they want to come in. Those farmers will negotiate the price with the farm income commission. If they aren't willing, either because they don't have experience with it or because they don't feel capable or willing to become involved in supply management, then they will negotiate a lower price that won't be an incentive price.

If, however, those farmers feel that they're entitled to a full return for their production of food and they are willing and able to accept the obligation of supply management, they will do it. Nothing's going to be forced upon them. They will do it just as the milk producers have done it in this province, or, for example, in the recent meetings that have been held with regard to a national marketing plan for poultry, poultry producers have indicated their willingness to implement supply management. There's no reluctance on their part to do it. But they don't have to do it if they don't want to do it. They will set their price level at a level which won't encourage overproduction and therefore require supply management.

Not only has the government failed to respond to the directives in that reasoned amendment of last June, it has also, interestingly enough, failed to respond to the principles of the bill that the minister's been talking about. About one year ago almost to the day, the minister spoke to the banquet of the Ontario Federation of Agriculture convention in Hamilton.

Let me read a quote to you of what the minister stated at that time:

"The market price must be allowed its normal role and at no time, regardless of market predictions, must the prescribed level become an incentive price"—here's the old bogey; and I continue—"nor should the price guarantee be so low as to be ineffective. A true stabilization plan must assure the farmer he will receive a price based on the production cost of the day."

Not the production cost, if I may interject, on 90 per cent of some past time. The production cost of today. I continue the quotation from the minister: "In our view, this suggested cost should cover all the farmer's operating costs"—for which read "cash costs" —"plus a certain percentage of family labour, management and net investment costs."

Whose words? The minister's words. And where are they in this bill? They're not in this bill. They're not part of cash costs. If the Liberal Party is willing to accept that definition of inadequate costs, okay. Climb into bed with the Tories. It's not what the minister wanted a year ago and—

Mr. Bain: Marvin likes it there.

[9:15]

Mr. Deputy Speaker: Through the Chair, please.

Mr. MacDonald: —and it's not what the farmers in Ontario want at the present time.

Mr. Bain: Marvin will have to move over.

Mr. MacDonald: In fact, Mr. Speaker, let me underline that once again. Here's a quote from the minister when he was talking with regard to the cow-calf plans in Ontario, British Columbia, and Manitoba. I quote: "Costs of production based on the models used in the three provinces are estimated at 61.4 cents a pound in Ontario, 63 cents a pound in Manitboa, and 77 cents a pound in British Columbia. And in addition, the basis of this guarantee in Ontario is all of the operating costs, plus 70 per cent to family labour, management, and investment costs."

In other words, the principle that the minister has been willing to put in the cow-calf plan, as his token gesture last year to farm income insurance, he has refused to put in this bill. That's why we say it is inadequate. That's the third area in which it's inadequate.

I have dealt with the three areas of concern. I want to turn to three general comments with regard to the bill. I've been interested in the persistent assertions of the minister, and of certain editorial writers, and others, with regard to this as being state legislation, that this is going to reduce agriculture to state agriculture, socialized agriculture, and all these words and epithets are thrown in. May I repeat, Mr. Speaker—I know you've grasped it but it's just possible that other people including the minister haven't—since this is a voluntary plan, it's not going to be imposed by the government. And there it ends.

To go around cackling that it is state imposed—it won't be imposed unless the farmers want to accept it. As for giving the farmers the power of a first-class citizen so he can sit down and he can negotiate the prices which are going to shape his destiny, if you want to describe that as socialism, I suggest it's nonsense.

Let me give you a couple of quotations—

Mr. Ferris: Careful you don't hyper-ventilate and drop dead.

Mr. MacDonald: On July 20 there was an interesting exchange reproduced in the Farm and Country of questions and answers—questions that were put to Gordon Hill, and his answers with regard to certain aspects of the bill.

One of the questions put to him was this: "When you start talking about production controls to many people, it sounds as if you're marching down the road toward socialized agriculture." And Hill's reply: "Well, I don't think there is free enterprise today. For example, our people can't compete in the beef market with Australian imports, and that's what you would have them do if you believe in free enterprise. Farmers believe in personal initiative and rewards for their efforts. They also want a minimum of interference in their business. All these things can be incorporated into marketing plans and income protection plans. All this talk about income plans being socialist is just a red herring, an excuse for doing nothing. It's an attempt to mislead the agricultural community."

That was a comment that was made back in July. Gordon Hill had an updating when he responded to the editorial in the Globe and Mail just a week or so ago. Let me read you two or three paragraphs in that letter. He said to the editors: "You have also in this editorial been indulging your hobby of identifying supply management with government or state control, labelling it pure socialism. However it was William Stewart, recently retired Minister of Agriculture and Food, who oversaw the institution of marketing boards for fluid milk, eggs, broiler chickens, and turkeys—all of which boards are run by farmers and have practised supply management through quotas on producers for a number of years. Mr. Stewart, as you know, is a Tory leader, and a free-enterprise-minded beef farmer. Surely he can't be accused of instituting pure socialism. And the producers of these commodities, most of whom firmly support their board system, don't think of it as socialism."

It is a red herring. It is misleading the agricultural community. I remember going to a Federation of Agriculture convention three, four or five years ago at which the theme, which was emblazoned on a banner across the back of the head table, was "Supply Management." Every delegate to that convention was wrestling with the problems of how to develop supply management.

I had the pleasure this year again of attending the Geneva conference of the members of the county milk committees which the OMMB convenes every year to sort of get a grassroots reaction to the policies it has been implementing or is planning for the coming year. After all the blood, sweat and tears that the milk industry has gone through in the past year with regard to quotas, one would have thought there might have been a single milk producer who would have said "Let's chuck supply management out of the window."

When George McLaughlin, the chairman of OMMB, called for a vote as to whether or not the milk producers of the province of Ontario were in favour of supply management, 100 per cent said yes.

Hon. W. Newman: Sure.

Mr. MacDonald: Okay. In short, the farmers recognized that supply management is a mechanism which they can enter when and if they want.

Mr. Riddell: Tell the primary producer that and see what kind of response you get.

Mr. MacDonald: Mr. Speaker, I don't know what he is talking about.

Mr. Riddell: You can take so much of this crap.

Mr. MacDonald: I don't know what he is talking about.

Mr. Riddell: I'm talking about supply management.

Mr. MacDonald: As a matter of fact, back on the farm there's a lot more of what he describes as being here and he knows what it is all about.

Interjection.

Mr. MacDonald: I am saying the primary producers of the province of Ontario—in milk, in the broiler industry and many other industries—have developed supply management because they know it gives them a mechanism for orderly marketing.

Mr. Riddell: You don't know what a primary producer is.

Mr. MacDonald. They are not in favour of disorderly marketing. The Liberals are in favour of disorderly marketing although events have forced them to acknowledge some recognition of the need for orderly marketing.

However, let me move on to a second comment and that is with regard to the blatant propaganda involved in the presentation of this bill.

The minister contends that what this bill is going to do is provide $70 million to the agricultural community. That is a piece of unmitigated nonsense. If every product in the province were covered—

Hon. W. Newman: That isn't what I said.

Hon. B. Stephenson: He didn't ever say that.

Mr. MacDonald: —Ontario's payout for the five per cent it is going to put piggyback on the 90 per cent which Ottawa will be giving might get up to $70 million. Let me remind members of a few things. In the first place—

Mr. Ferris: That is the best part of your speech—the silence.

Mr. MacDonald: In the first place, the federal government has support programmes which are deemed to be adequate. There's some argument over them but they are generally deemed to be adequate for industrial milk and for cream.

We have in the province of Ontario a support programme for cow-calves which is going to continue at least to the year 1980.

In addition, fluid milk, eggs and poultry are covered by support programmes and those account for approximately 27 per cent of the agricultural production in the province of Ontario. None of those would come into the picture at all.

What about the 63 per cent which, theoretically, might come into the government's programme here? In the first place, the commodity producers of each one of these products must seek the development of a plan and seek the institution of such a plan before it will come into effect.

Secondly, every farmer in that commodity group must voluntarily join the plan and only when all of that has been done are we going to get complete coverage. We won't have complete coverage for some years because undoubtedly there are going to be some of these commodity groups which are not going to move to getting a plan.

Once again, let me put it, if I may, in the words of one of the leading farmers of this province. Perhaps it would be as well if the hon. member for Brant-Oxford-Norfolk would listen to this since he thinks that the views of the OFA—

Mr. Nixon: I am listening to everything you say.

Mr. MacDonald: —are that this bill is a perfect bill and it implements all of the principles.

I think it is well that the record should carry a few paragraphs of Gordon Hill's presidential article in Farm and Country, edition of November 26: It is headed: "Seventy million!! Who is Bill Davis Trying to Kid?" Amen. And it reads as follows: "Agriculture Minister Bill Newman and Premier William Davis do not intend to protect Ontario farmers from low prices for farm produce."

Mr. Worton: Sounds as if he must be an NDP candidate.

Mr. MacDonald: "This is the obvious conclusion to be drawn from the recently introduced agricultural stabilization Act, 1967."

May I interject, Mr. Speaker? I don't know who it was—I think I know but I don't

know exactly—who said "he sounds as though he's an NDP candidate." The interesting thing is that the party for which that member sits supported the OFA position last June, and that party pretends today it is supporting the OFA position. It's that kind of interjection that indicates they are not supporting the OFA position. They are in bed with the Tories.

Mr. Nixon: We are supporting the farmer's position. You don't give anybody the credit for having a mind of their own.

Mr. MacDonald: As Gordon Hill said, the minister and the Premier do not intend to protect Ontario farmers from low prices for farm produce because this bill doesn't do it. However, let me continue to let Gordon Hill speak for himself.

" 'Facetious' is the best adjective to describe claims that the legislation might cost the Ontario government $70 million. Indeed, as it is now written it is extremely doubtful that it will cost the government even one penny."

Hon. W. Newman: Oh, come on. Grow up.

Mr. Lewis: That's what it says.

Hon. W. Newman: You grow up. You were quoting, but—

Mr. MacDonald: I was quoting, Mr. Speaker. I was quoting from the president of the Ontario Federation of Agriculture. He apparently, like me, doesn't understand this bill and doesn't know anything about agriculture. The minister is the quintessence of wisdom on this issue. Let me continue, Mr. Speaker.

"Why would producers of any commodity bother to develop a plan that would insure only five per cent of the producer's five-year average price? If a plan were developed, why would any farmer bother to enrol in it considering the meagre protection it would provide?" That's precisely the point I was making a moment ago.

"An example is corn. Where is there a federal programme covering 90 per cent of the producer's five-year average price? How many corn growers would invest three cents per bushel before the crop was planted, knowing that there may not be a payout, the payout may be a penny or two a bushel, and the greatest possible payout could be only 10 cents a bushel?"

Hon. W. Newman: You don't even know the price of corn this year. Look at it—you will find what it means.

Mr. MacDonald: I continue: "A more startling example is provided by comparing the new proposal with the existing cow-calf plan." This is very interesting. I pointed out a moment ago that this bill doesn't even contain the principles that were contained in the cow-calf plan and it had inadequacies. Now we get some idea of how gross are the inadequacies in this bill.

"If beef calves were included in the legislation, which they are not, the maximum payout would be $2 per hundredweight. This means that if the legislation had been in effect for cow-calf producers last year and the same number of cows had been enrolled, the Ontario beef calf producers would have received only $1.7 million compared to the $22.5 million they actually received to help reduce their losses." That just underlines so graphically the inadequacy of this bill.

Mr. Ferris: Fantastic.

Mr. MacDonald: What a storm you would have in the province of Ontario today if the cow-calf plan had been as inadequate as that. And that is how inadequate this bill is going to be for other commodities.

However, let me continue, Mr. Speaker.

Hon. W. Newman: Why don't you use your own words?

Mr. MacDonald: "For the new legislation to cost the Ontario government $70 million, every farm commodity produced in Ontario would have to have a plan, every farmer would have to enroll his full crop production, and marketing conditions would have to be so bad that the plan would pay the maximum amount for every commodity in one year. This is not even a remote possibility."

[9:30]

I will leave the rest of what Mr. Hill has to say, but perhaps both the government and the members of the Liberal Party can contemplate the adequacy of this bill in view of that comment, coming from the president of the Federation of Agriculture.

Just let me conclude this way, Mr. Speaker, if I may: This is not adequate protection for the farmers of the province of Ontario. It isn't farm income protection. It is stabilizing prices at something of a bankruptcy or near bankruptcy level, not the kind of thing that is going to encourage farmers to stay in production.

I want to draw an analogy—and sometimes I wonder why this government is so opposed to farm income stabilization that it can't see,

really, what it should be doing at this time. I want in conclusion just to suggest what it should be doing.

Back in 1942, the government of the day passed farm marketing legislation. Now they passed farm marketing legislation at a time when many of the farmers of Ontario weren't particularly interested in farm marketing legislation; they really didn't understand it, but they passed it and they said to the farmers of Ontario: "If there's any commodity group which wants to exercise the enabling powers that are contained in this bill, to develop orderly marketing for themselves, the powers are here, take them, exercise them."

What has happened down through the years? Some commodity groups, like the beef producers, haven't yet; 35 years later. It's voluntary; nothing is imposed upon them. Some groups have set up marketing plans—of the 20, 22, 23, 24; how many marketing plans do we have at the present time in the province of Ontario?—some of them have been set up with a very small exercise of power, they are little more than advertising the product so that they can get a larger share of the consumer's dollar. But some of them have gone the full route, and they exercise full powers in terms of pricing and they exercise full powers in terms of supply management. They do it voluntarily; nobody imposed upon them.

It was done by the Tories. It provided the farmers with the mechanism with which they could protect themselves; and all I'm suggesting is that this government get its head out of the ideological sand; quit prattling about free enterprise, which doesn't exist, particularly in the agricultural community; quit drawing all these red herrings about socialism and state agriculture; and pass a bill such as you were directed to do in the reasoned amendment of last June: a bill that would give enabling legislation to farmers to establish farm income insurance; farm income protection.

It would be voluntary, no group need take it if they didn't want it; and even if a group took it an individual farmer doesn't need to enrol, so that it is completely voluntary from start to finish. Make it contributory; give the farmers a meaningful role in terms of a body representative of general farm organizations and commodity groups that can negotiate with your farm income commission to develop a plan and to negotiate for the price; and finally and most important, make certain that the process of negotiation is going to be recognizing current prices, not some irrelevant years-gone-by kind of prices.

That is what the general farm organizations of the province of Ontario, representative of the overwhelming majority of the farmers, are seeking. Mr. Speaker, just let me say this before I sit down. I have knowledge that there are many farmers who don't want farm income insurance.

Hon. W. Newman: Oh well; that's good.

Mr. MacDonald: Right; but they don't have to take it. If the government is willing to do in 1976 what its predecessor government did in 1942, give them enabling legislation to proceed with farm income insurance just as they were given enabling legislation to proceed with marketing plans, then farmers can move as quickly as they want.

That surely is the essence of democracy. That surely is nothing approaching so-called state agriculture. And that's what we will seek to get, through a reasoned amendment, if we can get the support of this House; and if we can't get it through a reasoned amendment in the redrafting of the bill we will get it through major amendments in the three areas of concern that I've indicated.

Mr. Speaker: Order, please, Did the hon. member move his reasoned amendment?

Mr. MacDonald: Yes, I moved it.

Mr. Speaker: I'm sorry. I didn't hear it. I just wanted to make sure.

Mr. Roy: Now we will hear from a farmer; a primary producer right here.

Mr. Riddell: Mr. Speaker, with due respect to the former speaker I am sure that after those remarks the price of corn has dropped $1 a bushel.

Mr. Warner: You mean you are against it?

Mr. Riddell: I would like to begin my remarks by reading a letter which is typical of the many letters and comments which I have received from farmers right across Ontario expressing their concerns with farm income stabilization legislation. This letter happens to come from a producer in Middlesex county, not too far outside of London:

"Dear Sir: Since there is so much talk about a stabilization plan for farmers I would like to make my views known, too. Who wants stabilization? The government? The opposition? The Federation? The Farmers Union? Or the farmers? I know we do not.

"Farmers who want stabilization should go and work somewhere else—a factory for in-

stance. That is where you are stabilized for two or three years after a contract is signed.

"I don't know whether there was ever a definition established of a farmer. To me a farmer is a person who is not afraid of work, and dares to take chances, and then live with the result. Government takes the challenge out of farming.

"Now I am not blaming the government or the politician entirely. I know that farmers, just like the rest of the public, run to the government for help. This is where the trouble starts. Politicians do anything to please the people to win their votes. Instead they should consider carefully what is best for the province or the country as a whole, and then act accordingly. If this stabilization plan comes into being then the next thing will be quotas. Otherwise the markets will be flooded"—

Mr. MacDonald: Sounds like Bill Newman.

Mr. Riddell: "Doesn't anybody out there understand that only supply and demand make the prices, nothing else? Right now in almost all commodities there is overproduction instead of food shortages. From there the low prices. We still do not have any complaints to make. We have had good years, and less income now is not going to hurt us. That is where money management comes in; no government needed.

"We feel the less government interferes the better. Not only in farming, but in all areas. Let people mind their own business. That is what we liked so much about Canada when we first came here: freedom. I am afraid that that has gone forever.

"We started out doing farm labour. No government cared how hard we had to work, how many hours, or how little we were paid. We were free to do as we pleased. We only had one goal in mind—to make it in Canada. And we succeeded. We came here in 1953 unable to speak English, no education, and very little money. That proves to me that Canada is a great country. Too bad that the people and the government of any party are making a mess of it. Yours truly."

Thank God the farmers of Ontario are still free enterprisers. I would think that is the very reason that 20 per cent of the Liberal caucus are knowledgeable, experienced farmers.

Mr. Warner: It will give them something to go back to.

Mr. Riddell: Now other farmers with whom I have spoken—

Mr. Roy: The only thing you guys know about farming is manure.

Mr. Ferrier: You make a pretty good case for that too, Albert.

Mr. Riddell: —other farmers with whom I have spoken show very little interest in the farm income stabilization plan and many farmers say that the plan has very little to offer them, and they don't very much care or know whether they would be even remotely interested in participating.

However, the crop insurance programme went through the same growing pains and it is certainly evident now that most farmers producing high-risk crops are participating in this programme. So it is the feeling of the Liberal Party that we should get a farm income stabilization plan established for those farmers who are not in a position to ride the vagaries of the market place.

While we are not entirely happy with the government's plan, we have decided to support the bill and we trust that the minister will be agreeable to certain amendments which we feel are needed to make the programme more meaningful for the farmers of Ontario.

Mr. Warner: Same old story.

Mr. Riddell: At the request of opposition members, the Minister of Agriculture and Food (Mr. W. Newman) took the original farm income stabilization bill, which he introduced in June of 1975, back to the drawing board to have incorporated therein principles of a farm income insurance plan which would be open to the products of all farm products on a voluntary basis, with assurance that the government provide a public forum for full discussion with the farm community before reintroduction of the bill, and with assurance that the government negotiates with legally constituted farm spokesmen.

In our opinion, the minister has met these demands inasmuch as he did consult with farmers, farm organizations and commodity boards before reintroducing the bill, and he did introduce a plan which was established on a voluntary and contributory basis. There is provision in the bill for consultation with commodity boards by the farm income stabilization commission, but we feel the legislation should definitely specify that the commission must negotiate with producer organizations and respective commodity boards for the commodity which will be covered under the stabilization programme.

Mr. Nixon: We hope the NDP will support that amendment.

Mr. Riddell: This is one of the amendments which I am sure the minister is prepared to accept.

We are pleased that the programme is to be voluntary, that farmers are to contribute, that all commodities can be covered, that there is provision for consultation with farm organizations and that there is an opportunity for the federal government to share the cost.

Mr. Wildman: They have to.

Mr. Riddell: We consider it highly irresponsible on the part of the NDP to oppose a bill which incorporated the principles which even they asked for last June. The NDP are not satisfied—

Mr. MacDonald: Oh no; it doesn't incorporate the necessary principles.

Hon. W. Newman: You said it tonight.

Mr. Nixon: They never are.

Mr. Speaker: Order, please.

Mr. Riddell: The NDP are not satisfied with a stop loss measure, but what it proposes is a guaranteed annual income for all farmers.

Mr. Nixon: Then say no.

Mr. Ruston: Get in the fray here.

Mr. Speaker: Order. The hon. member for Huron-Middlesex.

Interjections.

Mr. Riddell: I contend that farmers are not any more justified in being guaranteed a profit than are workers in other industrial pursuits, but they are justified in trying to make a profit, and this can only be accomplished through free enterprise and a market system where the law of supply and demand is still a governing factor.

Mr. Foulds: Very few other workers have to pay the boss for the privilege.

Hon. W. Newman: Boy, you fellows have lost your credibility over there and you know it.

Mr. Riddell: The NDP would like to control the supply of all agricultural commodities, as well as freeze all Ontario farm land to be used only for agricultural purposes. It is obvious to me that the agricultural critic for the NDP is simply expounding his party's idealism, and it is apparent that he has not stepped outside—

Mr. MacDonald: So does George McCague.

Mr. Nixon: George is really a socialist.

Mr. Speaker: Order, please.

Mr. Riddell: It is apparent that he has not stepped outside the urban boundaries to ascertain what the farmers really want.

Mr. MacDonald: Not the minority.

Mr. Riddell: I have some sympathy for the NDP agricultural critic, as there is not one person in that party who has agricultural experience and therefore very little expertise is available in helping the critic to make sound decisions on behalf of the farm community.

Mr. MacDonald: You don't have to be a chicken to lay an egg.

[9:45]

An. hon. member: Get Pilkey to help you.

Mr. Spence: Donald's milked a couple of cows.

Interjections.

Mr. Riddell: Needless to say, the dairy producer, as an example, has had his fill of government supply management—

Mr. MacDonald: Do you have an affirmative—

Interjection.

Mr. Speaker: Order. Order.

Mr. Bain: Are you going to abolish the Milk Marketing Board?

Mr. Spence: You're interrupting our speech.

Mr. Riddell: Furthermore, any programme controlled by the government generally means steadily rising prices.

Mr. Bain: Are you against marketing boards?

Interjections.

Mr. Riddell: Certainly the state of the dairy industry in Canada has proved that even a federal umbrella does not ensure against overproduction.

Mr. Ferrier: Are you going to take a seat beside the member for London North (Mr. Shore)?

Mr. Riddell: It is obvious that the NDP, in opposing this bill and opposing a plan that would lead to incentive production, is trying

to make inroads with the farm vote. Being a farmer myself and talking to farmers practically every day of the week—

Mr. MacDonald: We can't make inroads with you.

Mr. Riddell: —I can assure the NDP that the farmers do not find their proposals that attractive.

Mr. Foulds: And your proposition even less so.

Mr. Riddell: They know that such a programme is pure socialism, and farmers are the last people to want price and supply both under the control of government.

Mr. MacDonald: We want them under the control of farmers.

Mr. Riddell: Government controls have not worked with either milk or eggs to the advantage of anybody—

Mr. Foulds: Or with the AIB, for that matter.

Mr. Riddell: —but yet the NDP is prepared to extend it to the whole agricultural industry before even a limited pilot project, such as the government farm income stabilization plan, has been proved workable.

Mr. MacDonald: You don't even—

Mr. Speaker: Order, please. Only the hon. member for Huron-Middlesex has the floor.

Mr. Riddell: We in the Liberal Party are not prepared to abrogate our responsibilities by continually sending the bill back to the drawing boards. This simply denies the farmers any kind of protection while the government redrafts a bill to suit its own purposes and to appease the opposition members—not by giving into their demands completely but by giving them enough bait to nibble on until the Premier (Mr. Davis) feels the time is right to go to the people.

Mr. MacDonald: That's what they've done.

Interjections.

Mr. Riddell: In my opinion, the last thing the people of Ontario need is an election fought over the issue of a farm income stabilization programme.

Mr. Bain: Aren't the farmers worth it?

Mr. Riddell: People have enough difficulty understanding what politicians on the hustings are talking about most of the time—

Mr. Foulds: Only when you speak.

Mr. Riddell: —without pelting them with the impossible. The NDP say they would be delighted with the chance to fight an election on this issue. But they did not say, of course, how the members of that party plan to explain the programme to urban people, most of whom would not know income stabilization from a manure spreader—and, believe me, some farmers think there is no real difference. The NDP agriculture critic's ecstasy could only have been short-lived once he discovered that the only place this issue will play is down on the farm—

Mr. Warner: When are you going to get to the bill?

Mr. Riddell: As I have already indicated, what he will find there is a majority of farmers opposed to the costly and counterproductive benefits that the New Democrats want added to the government bill.

Mr. MacDonald: Oppose this bill then.

Mr. Riddell: I am not suggesting that the programme is not of some importance to farmers and indirectly to consumers.

Mr. Shore: How's the farming in Scarborough-Ellesmere?

Mr. Riddell: Whether it meets the needs remains open to question, but that is something to be settled between farm organizations and government, not voters who don't even understand the question.

As I have indicated, the income stabilization programme has certainly had mixed reaction. The Ontario Federation of Agriculture, on the one hand, pats the Minister of Agriculture and Food on the back for making the plan voluntary—

Mr. MacDonald: Then kicks him in the seat.

Mr. Riddell: —for making provisions for farm contributions and consultations and for leaving the door open for participation by the federal government. On the other hand, the OFA president condemns the bill for only offering a five per cent payment for some commodities.

Mr. Shore: They are not talking to each other.

Mr. Riddell: Those would be ones that are covered by neither the federal government nor by a price-controlling marketing board. Certainly the minister was prepared to support those commodities at the 90 per cent

level in Bill 96, similar to the main commodities under the federal stabilization programme. I personally fail to see why the minister is not prepared to give that kind of support to those commodities under Bill 131, considering that his estimate of cost for supporting those same commodities under Bill 96 was $7 million and under this plan the government would pay only two-thirds of that.

Mr. Nixon: Think that over.

Mr. Riddell: The minister no doubt feels that a guaranteed support level of 90 per cent of the five-year average market price for those commodities which do not come under the federal stabilization plan would give the federal agricultural minister an excuse for failing to announce stabilization plans in the future. In other words, the existing bill, according to the Ontario Minister of Agriculture and Food, will strong-arm federal participation.

I would like to submit that there is another way of looking at this particular matter. The producers of a commodity which is not covered under the federal stabilization programme, will be required to pay a fairly substantial premium relative to the market price, if the provincial plan supported that commodity at the 90 per cent level. If that commodity was to be designated under the federal plan, then the producer would not have to pay any premium in order to receive 90 per cent of the last five years' average market price.

It is only reasonable to assume therefore that the producer, through his producer organization, will bring pressure to bear on the federal Minister of Agriculture to designate that commodity for a support level of 90 per cent. On the other hand the federal Minister of Agriculture has apparently given a commitment to the Ontario Minister of Agriculture and Food that he is prepared to designate any commodity at the 90 per cent level where the need arises and if the request is made.

Mr. MacDonald: We'll see.

Mr. Riddell: The federal minister in a speech at a federal-provincial conference made a definitive statement that any agricultural commodity which is produced in sufficient quantities in Canada will be supported under the federal programme if the need for this support can be demonstrated.

Mr. MacDonald: Where's the federal cow-calf plan?

Mr. Riddell: We have no reason to doubt the integrity of the federal minister—

Mr. MacDonald: Oh, yes we have.

Mr. Riddell: —as he has certainly been most co-operative in the past in designated commodities such as apples, pears, prune-type plums, carrots, sweet cherries, potatoes and raspberries.

Mr. Wildman: What about cow-calf?

Mr. Riddell: Under the federal programme it is mandatory to support the main commodities including beef, sheep, hogs, industrial milk, cream, corn, soya beans, oats and barley at the 90 per cent level. It is with this reasoning in mind that we are prepared to endorse the five per cent support level for all commodities under the provincial programme. We happen to agree with the president of the Ontario Federation of Agriculture that all references in the bill to 95 per cent of the previous five-year average price should be made less rigid. And we would recommend that these references be changed to read "not more than 95 per cent of the five-year average price, adjusted by cost of production indexing."

However, the minister may have justifiable reasons for specifying 95 per cent. If so, I will look forward to his comments when he replies to the leadoff speeches.

The minister could certainly amend this section of the bill if he feels it would be in the best interest of the producers. Such an amendment would allow for support at lower levels if it appears the price was leading to overproduction.

Mr. Nixon: That should be a government amendment if they want it.

Mr. Riddell: Right. Needless to say, in the absence of a federal stabilization plan for farmers, this bill would be completely inadequate, and to have any meaning, the provincial plan would have to give full protection to all farm commodities. In many ways Bill 96 was better than this bill in that it would support commodities at the same level as the federal plan for those commodities that were neither named nor designated under the federal plan.

Bill 96 would have excluded commodities already named or designated in Ottawa's Bill C-50, and it would also have excluded commodities already regulated by the Ontario Marketing Board at set prices, and also allocate production quotas in line with market demand. I believe there has been one payment made on a named commodity under the

federal plan since its implementation, and this commodity which received some support was beef. Yet our beef producers are struggling to stay in business, and even the Minister of Agriculture and Food admits it has been a very painful period of time for our beef producers.

Obviously the federal programme is inadequate, and yet Bill 96 provided a stabilization programme identical to the federal plan which the Minister of Agriculture and Food himself called inadequate. In his own words the minister said, there are inadequacies in the federal programme, and yet he was prepared to leave anything that was covered by the federal programme under the inadequacies, and set up a provincial programme that was identical.

Last year's amendment should have had a clause in it indicating that the government should come back with a plan based on cost of production rather than the present proposal for a five-year average price. In this case, labour, investment and depreciation costs could have been taken into consideration and the support price for any one commodity set at a level which would not encourage overproduction. Costs used in Bill 131 are the same as those used in the federal plan and do not take into consideration the cost of the farmer's own labour, investment and depreciation.

Other costs such as feed, fertilizer sprays, hired labour and interest on operating capital are fully indexed. In light of what the minister said in a speech to the annual convention of the Ontario Federation of Agriculture in November, 1975, I suppose we could be somewhat critical of the plan for failing to index the cost of labour and investment. I would like to quote some part of the speech which the minister made.

Mr. MacDonald: You are repeating my speech.

Mr. Riddell: I quote: "A true stabilization plan must assure the farmer he will receive a price based on production costs of the day. In our view this adjusted cost should cover all the farmer's operating costs plus a certain percentage of family labour, management and net investment cost."

Interjections.

Mr. Riddell: I will agree that under the bill as it is written at the present time if we are to include such items as investment, labour and depreciation we are definitely going to have incentive pricing—

Mr. MacDonald: You are more Tory than the Tories.

Interjections.

Mr. Riddell: —and the person who is going to benefit is the farmer who has pretty well paid off all his debts. What we are doing is playing right into the hands of that farmer and we are really not helping those who most need assistance.

Mr. Nixon: A programme which benefits the well-to-do—

Interjections.

Mr. Speaker: Order, please. The hon. member for Huron-Middlesex only. Thank you.

Mr. Riddell: The programme would benefit the good well-established farmers like my colleague from Brant-Oxford-Norfolk (Mr. Nixon).

Interjections.

Mr. Riddell: The fact of the matter is that we are experimenting with a farm income stabilization programme which all of us, including the minister, realizes has its shortcomings. However, I think we should set the present plan in motion without further delay. If the federal Minister of Agriculture reneges on his commitment I did receive assurance from the Ontario Minister of Agriculture and Food that he would be prepared to introduce the necessary amendment in order to make the bill more meaningful to Ontario producers. We on the opposition side will be prepared to see that the Minister of Agriculture and Food lives up to his commitment.

Mr. Warner: Do you hear that?

Mr. MacDonald: I thought you had learned your lesson.

Mr. Riddell: We in the Liberal Party certainly cannot support the NDP proposal, for, according to the NDP agricultural critic in a statement made by him and reported in the Ontario New Democrat information release—I am quoting words from the agricultural critic of the NDP—"The NDP plan would require supply management and quotas for any commodity group who wished to participate."

Mr. Breithaupt: I have more farmers in my riding.

Mr. Riddell: I can tell the House that the NDP is not speaking on behalf of the majority

of Ontario's producers and I can also say it will be a long time, if ever, before we see state-controlled farming in Ontario.

Hon. W. Newman: There it is—you said it.

Mr. Speaker: Order.

Interjections.

Mr. Speaker: Order.

Mr. Riddell: I have that much confidence in the Ontario farmer.

Mr. Bain: Does he have confidence in you?

Interjections.

Mr. Riddell: For any plan to be effective there must be co-ordination and harmonization of federal and provincial stabilization programmes.

Mr. Warner: Too bad the coalition can't—

Mr. Roy: Be quiet and you might learn something.

Mr. Riddell: An unco-ordinated approach will have serious consequences for agriculture. These consequences include the threatening of our national approach to agricultural policy, a fragmentation of the national market for agricultural commodities, some producers gaining advantage over others—

[10:00]

Mr. MacDonald: Don't support the bill then.

Mr. Riddell: —and the threat of a competitive escalation of programmes.

Mr. Samis: Don't yell, Jack.

Mr. Riddell: There are three important issues of principle, in my estimation. They are, firstly, whether stabilization programmes should be primarily based on market-related support prices or whether they should be primarily based on cost of production. Secondly, what are the appropriate levels of support for a continuing national stabilization programme? Thirdly, should a national programme of stabilization allow for top loading —and if so, by whom? The fact of the matter is we are groping in the dark and trying to establish a stabilization plan which appears to have very little interest to the Ontario farmers and less interest to the urban people at the present time.

Mr. MacDonald: Why don't you have the guts to oppose it then?

Mr. Riddell: It is the opinion of my leader and the Liberal Party that we should set the machinery in place and give the proposed plan a chance to work. If the farmers aren't interested in participating—

Mr. Roy: That's right.

Mr. Wildman: It's terrible, so let it work.

Mr. Roy: You guys understand.

Mr. Riddell: If the farmers aren't interested in participating, then we will know that either changes will have to be made—

Mr. Roy: You can rely on him any day.

Mr. Riddell: —or the plan will have to be thrown out completely. But let us permit the farmers to make that decision.

Interjections.

Mr. Riddell: I will conclude my comments by saying that we support the principle of the bill.

Interjections.

Mr. Riddell: Let's get the thing in motion. Let's get it working and let's work together to make it work and bring in the changes if need be.

Hon. W. Newman: Mr. Speaker, may I ask your indulgence to introduce three very distinguished guests in our gallery tonight?

Mr. Speaker: If they are not parliamentary guests, we haven't been in the practice of doing this, so I would point out—

Hon. W. Newman: They are very highly respected parliamentary guests, Mr. Speaker —Mr. John Wise, the MP for Elgin Ontario; Mr. George Wittaker from Okanagan, B.C.; Mr. Gordon Ritchie from Dauphin, Manitoba. They are all federal MPs that we welcome tonight.

Mr. Riddell: All good Liberals.

Mr. Moffatt: There is no such thing.

Mr. Speaker: Thank you. Now the hon. member—order, please.

Interjections.

Mr. Speaker: I am not sure about the behaviour—whether this is setting an example for our distinguished guests or not.

Interjections.

Mr. Speaker: Order, please. The hon. member for Port Arthur.

Mr. Foulds: Thank you, Mr. Speaker.

Mr. Speaker: The hon. member for Port Arthur only.

Mr. Maeck: There is a farmer if I ever saw one.

Hon. Mr. Rhodes: There is a farmer, I tell you.

Mr. Speaker: Order, please. Order, please.

Mr. Foulds: Mr. Speaker, I readily admit that I am not a farmer. But when I was a lad I did have occasion to keep chickens and they made a lot more sense when I went to feed them than the rabble behind me that is cackling away.

Hon. Mr. Rhodes: Behind you, that's it. I would say that about Warner.

Interjections.

Mr. Speaker: Now may we get to the principle of the bill? Thank you.

Mr. Foulds: As a matter of fact, I want to speak specifically and directly to the principle of Bill 131, Mr. Speaker. It seems to me that a question we have to ask ourselves is why have a farm income stabilization plan? Better put, why should we have a farm income protection plan? Surely it is to do two relatively simple and praiseworthy things—

Mr. MacDonald: Which the urban consumers understand.

Mr. Foulds: One, by such a plan to make farming an attractive occupation with a fair return on labour and investment; and two, by making farming such an attractive occupation, to stop migration from the farms and to stop the land from going out of production.

This bill simply fails to do that. There is not much sense in having a farm stabilization bill that guarantees farmers guaranteed annual poverty, bare subsistence that makes them frustrated and makes them wish to go out of business, to abandon the farms.

It is interesting that this government, which has taken in the past so much delight in rattling such sabres at the federal government for its bad faith, its lack of initiative, is willing to trust the federal government to designate the necessary commodities to bring them up to the 95 per cent level.

The truth is that this Conservative government is only willing to guarantee up to a lousy five per cent, and that just is not good enough.

Mr. Samis: Right.

Interjections.

Mr. Foulds: If the minister is trying to use this piece of legislation as a lever on the federal government to bring in a Canada-wide plan—

Hon. B. Stephenson: "Lousy." That's not parliamentary.

Mr. Foulds: Does the farmer from York Mills have a contribution to make?

Hon. B. Stephenson: Indeed I do; at least I grow crops every year, which is more than you do.

Mr. Speaker: No, the hon. member for Port Arthur is making his contribution.

Mr. Foulds: Thank you, Mr. Speaker, indeed I do.

Mr. Roy: Your contribution has not been very impressive so far.

Mr. Foulds: If the minister is trying to use this legislation as a lever on the federal government to bring in a Canada-wide plan, then he is playing a rather dangerous political game and using the farmers of Ontario as pawns in that game of political monopmanship; the farmers of Ontario deserve better than that.

We in the north view agriculture very seriously. Relatively speaking, little of our land is useful for agricultural purposes, consequently we consider and prize that land and that activity very highly.

Far too often this government has told us in the north that the kind of development that has to take place either has to be resource exploitation—à la the Reed land grab —or tourism. The Minister of Natural Resources (Mr. Bernier), for example, said in Thunder Bay on September 7 that the north could never expect secondary industry to develop. I remember debating with the former Minister of Agriculture and Food, Hon. William Stewart, the importance of considering farming as a secondary industry in the north, as one that should be developed in order to diversify our economy. I remember he allowed during his estimates that that just might be a good idea and that we didn't consider that seriously enough.

Mr. Ferrier: He understood the farmers in the north.

Mr. MacDonald: But not the farmer from Forest Hill.

Mr. Foulds: In my area, in Thunder Bay, there is some good, if limited, farm land.

Hon. W. Newman: Come on, you don't know an apple from an orange.

Mr. Foulds: Most of the farmers do not belong to either the OFA, the NFU or the Christian Farmers' Union; most of them are in fact what we call the small producer. What is there in this bill for them? Nothing.

Hon. W. Newman: That is nonsense; utter nonsense and you know it.

Mr. Speaker: Order, please. The hon. minister may reply later.

Hon. W. Newman: I am sorry, but that is utter nonsense.

Mr. Speaker: Order, please.

Mr. MacDonald: Name him, Mr. Speaker, name him.

Mr. Foulds: The minister is well aware of the problems that farmers in Thunder Bay have faced, particularly in the past year.

Hon. W. Newman: Sure, I have been up there.

Mr. Foulds: As a result of that my colleague the member for Fort William (Mr. Angus) and myself have on a number of occasions talked to many farmers and to a man they say this: "If I could get out and not take too much of a loss on my land, I would. I'm sure not going to encourage my kids to go into farming."

Mr. G. I. Miller: That's not right.

Mr. Riddell: Check with the University at Guelph; check and see how many young people are going into farming.

Mr. Speaker Order, please. The hon. member for Port Arthur only.

Mr. Foulds: You may speak with great authority for Middlesex and Huron, but you know damn all about Thunder Bay and the problems of farming in the north, my friend.

Mr. Riddell: I have been up there.

Mr. Speaker: Order, please.

Mr. Foulds: You don't have a single farmer from the north.

Mr. Speaker: Order, please.

Mr. Foulds: You only have two lousy members from the north.

Mr. Speaker: Order, please. Order.

Interjections.

Mr. Speaker: I think we would get on much more expeditiously with fewer interjections from the sidelines here. If the hon. member would speak through the Speaker and lower the interjections I think things would be more orderly. Thank you very much.

Mr. Bain: Control the minister.

Mr. Foulds: Mr. Speaker, you must admit that I have been trying valiantly to do so and it is only with extreme provocation I turned on the rabble.

Mr. Speaker: The hon. member will continue.

Mr. Roy: Try to say something more meaningful.

Mr. Foulds: Mr. Speaker, I admit we don't have the greatest farm land in the world in the north. But we could have—

An hon. member: Make your speech up north.

Hon. W. Newman: You are doing a disgrace to the farmers then.

Mr. Foulds: We could have viable industry in poultry, dairy products, cow-calf, mixed vegetables and especially potatoes and hay. Does this bill do anything to ensure those crops continue to be developed and produced in northwestern Ontario? The answer from every farmer you talk to in northwestern Ontario is no.

Interjection.

Mr. Foulds: Mr. Speaker, on November 5—

Interjections.

Mr. Foulds: Mr. Speaker, I would like to speak directly to you.

Mr. Speaker: Please do.

Mr. Foulds: I would like to speak directly to you, Mr. Speaker, because I did send the minister a package of Tums earlier in the evening. It appears to have had no effect whatsoever.

Interjections.

Mr. Foulds: On November 5, on a Friday afternoon, I was sitting in a farm house about 25 miles outside of Thunder Bay with my colleague from Fort William (Mr. Angus)

and with the federal leader of the New Democratic Party, Mr. Broadbent, talking to a group of farmers. Ironically the farm was up for sale. The farmers there were mostly in their forties, the bitterness about their condition was expressed by some of them. Resignation was expressed by others. One man was joyously undefeatable. But the man who will haunt me and impressed me the most was the man whose farm we were at and in whose house we were. Remember, his farm was up for sale.

He said to us with quiet dignity: "I came to this country just after the Second World War with my parents as an immigrant, and I have worked this land to the Slate River for 30 years. I like it here. I like farming. But you can't go on losing money too many years in a row. You have to think of your kids. No, I am getting out if I can. It is just too hard."

And, you know, I thought to myself, if we can't keep that kind of man in farming if we can't keep one of the better pieces of land in the Thunder Bay area in production, what hope do we have to diversify the north so we have a small share of the farm industry? And what hope do we have to save farming in Ontario?

No, instead of this grudgingly, curmudgeonly bill we need to have a comprehensive package to protect our food land, to protect our food supply and to protect our farmers. Mr. Speaker, this bill does not do that, and it is a pleasure to vote against it.

Mr. Ruston: I feel kind of anti-climactic after hearing the member for Huron-Middlesex (Mr. Riddell) and the great knowledge he has of the farming community of Ontario. I sometimes think I know a little about farming, but when I hear him I realize how little I do know.

Mr. Roy: He admits it.

Mr. Samis: Is that the leader or what?

Mr. Ruston: However, I would assume though that what little I do know about farming would be a great deal more than a great many other people who are speaking on this particular bill.

Mr. Bain: Does that include the minister?

[10:15]

Mr. Ruston: There is much to be desired in having some form of stabilization or an insurance programme for farm commodities, because as well we know, when you are subject to export markets, as are many of the commodities grown in my area—such as corn, soya beans and a lot of cash crop farming—we're subject to the whims of what might happen in the United States regarding exports and so forth.

We've even had one of the major unions in the United States refusing to load grain on ships to send it overseas. That had a tendency to put the price down and we felt it over here greatly. That was a case of someone in the United States wanting to keep the prices down for the non-farmers. As a result, we were forced to take a lower price, which I suppose seems rather minor to us here in Canada, but it was almost a major catastrophe in terms of our prices right at that time.

I believe that happened in Florida when some of the unions wouldn't load the ships because they wanted to keep the commodities in the United States to force the prices down. Even the President of the United States did the very same thing on one or two occasions; he stopped exports to try to keep the price from going up because he was looking at the 90 per cent of the people who are the non-farm vote. However, during the last election campaign in the United States, the President made major changes in that philosophy, because he saw that he was losing some of the farm vote by forcing prices down.

That's just an aside, Mr. Speaker. This bill has a very limited coverage but, however limited, I suppose it all helps. I'm reminded of a story—and maybe I'd better not tell it—about a ship almost grounding and some people tried to help the best way they knew how. As I say, every little bit helps.

Mr. Nixon: What did they unload?

Mr. Ruston: I was going over the support price for soya beans for 1975, which was announced some time ago. The support price for soya beans at the federal level is $4.35; if we took the basic 90 per cent, plus the 42-cent additional charge, which would bring the price up to $4.35, then five per cent of $4.35 would bring it up to around $4.55 a bushel. It wouldn't give the farmer all that much but, on the other hand, if he does get 20 cents a bushel, I was figuring it up and it would more than pay the taxes on his farm if, for instance, he grew 100 acres of soya beans, corn or whatever and if he could pick up 15 cents or 20 cents a bushel. The philosophy there, of course, is that if you can pay in $1 and get back $3, you're $2 ahead; so you can't go far wrong. The thing is that I imagine when that gets built up to a certain amount, then you would stop paying into it

until such time as it was drawn out. But it isn't too bad an investment if you can invest $1 and get out $3.

In thinking about some of the meetings the minister called throughout the summer or early fall with regard to getting input from the farmers, I recall the meeting in Ridgetown. In attendance were the hon. member for Kent-Elgin (Mr. Spence); the hon. member for Essex South (Mr. Mancini), our farm expert, the hon. member for Windsor-Walkerville (Mr. B. Newman)—I kid him about that once in a while—and myself, as well as the member for Lambton (Mr. Henderson). I didn't see any NDP members; I guess they didn't have any in that area so they didn't attend.

The meeting was a little disappointing, because there was a little problem in the sound sytsem. It might have been better if they had played a tape recorder instead of using the telephone, because I think that probably 60 per cent or 70 per cent of the people had difficulty in hearing the minister's remarks. There was a discussion later, however, so I think any of the things they missed were cleared up. But again it was at a time when some of the farmers were very busy in taking off their crops, and I think there were only about 60 or 70 actual farmers at the meeting. However, it did give some input, and a number of them had some questions cleared up.

I think the member for Huron-Middlesex (Mr. Riddell) brought this out, that the main thing is to get this bill on the books, get it under way. Going back to the crop insurance programme, I recall a number of occasions the first year or two it was in operation having some pretty strong arguments with the then Minister of Agriculture, Mr. Stewart. It was a thing that the people were not quite ready to accept; they weren't sure how it was going to work. It took a while to get ironed out.

I came down here in 1969 and if I recall correctly for the first couple of years the hon. member for Kent-Elgin and myself spent a fair amount of time in the estimates discussing crop insurance. But after the third or fourth year it has pretty well taken care of itself. People are accepting it. We don't seem to have any letters to speak of, complaints about it or so forth.

In fact, I was just talking to a farmer the other day in my area—I would class him as one of the better farmers—and he was telling me the other night at the warden's banquet that he had 50 acres of tomatoes in, and he said, "You know, it's terrible but I had to use my crop insurance this year." That's the first time he has had to use it. He said, "Now mind you, you don't make a lot of money on it, but it avoids the loss."

He had occasion to use his crop insurance this year because of excess water at the early stage of the tomatoes. They're very tender and if water lies on them more than 24 hours, it certainly deteriorates the plants—I've had that happen in my own crop.

I recall one time when I had a field of tomatoes in—they looked so good. I happened to be talking to a fellow after church one day and he said, "Dick, that's the best-looking field of tomatoes I've seen around here." About two weeks later it started to rain. After the first two or three hours I said to my wife, "You know, that's a million dollar rain."

Three days later it was still raining and my million dollars was gone. That can happen in farming—

Mr. Samis: A millionaire overnight.

Mr. Ruston: And I sure would have liked to have had crop insurance then, but they didn't have any then, Dave.

The wife and I and whoever would volunteer to pick tomatoes had mud up three or four inches on our shoes—that was clear clay, that wasn't the other stuff that gets on your shoes. It would have been awful nice to have had crop insurance at that time. But that's one of the pitfalls of farming.

With good farming, that doesn't happen too often—maybe I wasn't one of the better ones. But I avoided that in the future by doing some things that probably I should have done before.

Mr. Nixon: Go to church a little more.

Mr. Ruston: That might help.

By having this commission set up, the bill in place and meeting with commodity groups, we then can get down to the business of getting some kind of a stabilization form going.

We have many farmers now that are branching out, others trying to get started, and the price of land is real high. A 200-acre farm, even the land in our area, is somewhere in the vicinity of $250,000, $300,000 and even more now. The investment is so high, we are going to have to have some guarantee or some protection, as the member for Huron-Middlesex (Mr. Riddell) mentioned.

There are farmers in my area who acquired their farms 15, 20 years ago and they can kind of take these hills and valleys in the prices and so forth. But I think it's neces-

sary that we have something on the books, that we have it available, that we have it voluntarily, contributory. One of the things that I felt very strongly about in the previous bill was that it should be contributory.

This will at least give us an area where the people will have something to come to—if it needs revamping—You know, I can't think of a better thing happening than the member for Huron-Middlesex being the next Minister of Agriculture for Ontario—

Mr. Moffatt: Just don't hold your breath.

Mr. Ruston: —I have respect for the present Minister of Agriculture and Food (Mr. W. Newman) but after all, I'm sure that the day is coming when no doubt—

Mr. Roy: We will still talk to you, Bette. We'll still be nice to you.

Mr. Ruston: I'm looking forward to that very much. And that's as a Liberal member, of course.

Hon. W. Newman: Oh, I'm sorry, I thought you were going to come over en masse.

Mr. Ruston: I think the member for York South (Mr. MacDonald)—I just wanted to clear up something that he said earlier; I'm sure he wouldn't want to mislead the House. I think he said that in 1942 there was marketing board legislation put into effect. I thought I would just make clear that the Liberals were in power at that time and not the Conservatives—just so the people would know what was going on.

Hon. Mr. Rhodes: Boy, what a memory you have.

Mr. Nixon: He never forgets, he never forgets.

Mr. Ruston: Mr. Speaker, I don't think I have any more to add. The member for Huron-Middlesex covered it very well, I think. I just want to say let's get the bill into place. If it's necessary to make revisions in it in six months, we're here and we'll do that. And let's get on with the job of providing reasonably good protection for farmers.

Mr. Deputy Speaker: It is so close to the time for adjournment that it may not be worthwhile for any other member to participate—if the member for Durham East wants to move the adjournment of the debate.

On motion by Mr. Moffatt, the debate was adjourned.

Mr. Deputy Speaker: Does the House leader have a statement with regard to any business? All right then, an order for adjournment is deemed to have been made, and I will now recognize the hon. member for Wentworth for five minutes.

RENT INCREASES

Mr. Deans: As I just finished saying to the minister, I don't want to engage in a political discussion here tonight about the value or non-value of rent controls. I happen to think that they are of value, and properly administered would be even of more value.

But let's deal with the point at issue at the moment. I want the minister to tell me if he has any written legal opinion that brings him to believe that in August or September or October of 1977 or any time thereafter any tenant who is faced with a second increase within a 12 consecutive month period has any recourse to the law—this law or any other law—in order to gain the protection intended by the rent control legislation.

My understanding of the law, is that if the bill dies, as it will on July 31, and there is a subsequent rent increase imposed upon the tenant which turns out to be the second increase within 12 months, that tenant has no recourse. Does he in fact, under a legal opinion of anyone in your ministry or the Attorney General, have recourse to a court? If so, which court, and under which law would he have that recourse? I've been trying for some time now to understand how a tenant could use this law after the law has expired. I can find no one who can provide me with a legal opinion that there can be any recourse under a law which has expired.

Since the rent review procedures and the rent review hearing officers presumably will, by that time—if the government goes ahead with its intention—be no longer in existence, then the tenant certainly cannot go to the rent review board. Therefore they would have to go to a court—one court or another. I want to know under which law they can go to that court. That's really all I'm asking.

And I want to stress that, notwithstanding all of the good intentions of the Legislature and of the minister, no judge is required to take into consideration what the law that was in effect intended to have happen. They're not required to read the statements of the minister as to what he believes ought to take place. They're not required to read the debates of the Legislature to determine what we, the Legislature, believed should take place. All they're required to do is to

look at existing law and to determine whether or not there is a breach of existing law. If that law has expired, as it will on July 31 presumably, subject to only the government's change of heart, where does the tenant go in order to gain protection for the full 12-month period the minister claims he intends they should be protected for?

[10:30]

Mr. Deputy Speaker: Is the hon. minister prepared to reply at this time?

Hon. Mr. Handleman: Mr. Speaker, I understood there was another participant in this double feature late show tonight and perhaps we could hear from him—

Mr. Deans: I would rather get an answer to my question.

Hon. Mr. Handleman: —and I could respond to both of them at the same time.

Mr. Deputy Speaker: The hon. member for Ottawa Centre.

Mr. Deans: On a point of order, Mr. Speaker. The question I am asking is fairly simple and it would be much appreciated by me, for the purposes of clarity, if the minister could find the way to respond to my question now. I would very much appreciate it.

Mr. Deputy Speaker: The normal procedue is that the member who feels that the answer to a previous question was inadequate has the opportunity to express his point of view for five minutes; and the minister has the opportunity to reply for five minutes. The past practice has always been for it to be done in that order.

Hon. Mr. Handleman: Mr. Speaker, I have no objection to responding except it was my understanding that the order under which we are debating tonight was with regard to a question asked last week and not a question being put to me tonight. I don't see why I should be called upon to respond to another question which is not the question which was the subject of the member's dissatisfaction. The question he put to me last week was would I bring in immediate legislation and let it stand by itself? My answer to that was no, I will not. It was clear, unequivocal and not ambiguous. I don't understand how on earth the member could be dissatisfied with it—except that he is unhappy with it. He probably would want us to bring it in. I would like him to know—

Mr. Deputy Speaker: Order, please—

Mr. Deans: On a point of order—

Mr. Deputy Speaker: —this is not a debate.

Mr. Deans: But the minister—

Mr. Deputy Speaker: The standing order with regard to this procedure is that the hon. member for Wentworth has five minutes to make his point. It shall not degenerate into a debate. You have had your opportunity. The minister can respond in any manner that he sees fit.

Mr. Deans: On a point of order, sir—and a point of order is always in order, if I may. The minister is, inadvertently, I am sure—based, perhaps, on false information—misleading the House. I did not ask for immediate legislation. The question was would the minister amend the legislation to make it clear that any arrangement between a landlord and tenant entered into between now and the termination date of July 31 would be in effect for 12 consecutive months. I didn't ask for immediate—I asked whether he would do that in order to make it clear and that wasn't what he said.

Hon. Mr. Handleman: Mr. Speaker, I accept the hon. member's correction. He asked me if I would amend legislation which, in my view, means bringing legislation into this Legislature. I want to explain exactly why I cannot commit the government to that. I don't know how an NDP government would work—hopefully I'll never find out, if I'm lucky—but we do it through cabinet and caucus. No single minister standing here can commit the government to bringing in legislation. I have said outside this House that the government has not yet—

Mr. Renwick: On a point of order.

Mr. Deputy Speaker: A point of order? What is your point of order?

Mr. Renwick: My point of order is that the minister cannot use a spurious response to answer or not answer the question raised by my colleague. He's got one alternative—either he can answer my colleague's question or he cannot answer. I think he's got to deal with it in those terms and if one looks at the rules of the assembly that's what it is.

My point of order is if the minister says that my colleague, the member for Wentworth (Mr. Deans), is not asking the question which the minister thought he was to respond to, the minister's alternative is simply not to answer. He cannot give another answer to another problem at this time.

Mr. Deputy Speaker: The minister can answer in any way he sees fit. The minister does have about 2½ minutes in which to complete his reply if he so desires.

Hon. Mr. Handleman: Mr. Speaker, I think I have almost completed my remarks. I have explained that in response to the question asked last week—it's the reason we are here for this special adjournment debate—I said no, I cannot commit the government to bringing in an amendment to the legislation which now exists.

What the hon. member has asked me tonight, in my view, is a completely different question. Perhaps he would want to address it to me in the question period; I would be prepared to respond to it at that time.

I do not think the standing order under which we are debating requires me now to respond to a brand new question and that is what the hon. member has put to me tonight. I simply want to say that my answer to his question last week was no. It remains no until such time as the government is in a position to come in with legislation and, of course, it will be announced in the usual way.

Mr. Deputy Speaker: The hon. member for Ottawa Centre for no more than five minutes.

Mr. Cassidy: I would like to take up the question that was raised by the member for Wentworth (Mr. Deans) in particular, since the question I asked was: "Would the minister come back to the House with a legal opinion as to whether or not there was effectively any protection for tenants on short leases after August 1, 1977?" The minister replied: "No, I don't believe I would present a legal opinion in the Legislature."

I am certainly entitled—and I believe the member for Wentworth was entitled too—to ask the question which the member for Wentworth has posed in a very clear way. What is the legal opinion, if it exists—does it exist and what is it—as to the applicability of the law after August 1?

It seems to me, Mr. Speaker, if I can pursue my own question in my own area of dissatisfaction, which is additional to the point raised by the member for Wentworth, that the answers given by the minister in the House last Thursday are not adequate because tenants cannot take a commitment to court next August and they cannot take the words of the Legislature before a judge or anybody else.

The minister himself admitted in the adjournment debate last week that there will be no protection from rent increases in August, 1977, even if the tenant had had a rent increase only a month before. All the minister was willing to say last week was that in six months from today there would still be protection for tenants. That we grant, but he dodged the question, as he has dodged so many other questions related to rent review, as to whether there would be any protection after August 1.

I would say further, Mr. Speaker, that an urgent need now exists for the government to state its intentions with regard to extension of rent review. We don't understand how the minister can make a commitment to extend the working of the Act for tenants on short leases but also say in the course of the same question period that "no decision has been made on the question of rent review generally." We are not satisfied because if the future of rent review is not decided before Christmas, Mr. Speaker, then tenants and landlords will both be put into an impossible position.

Next April landlords have to give tenants 90 days' notice of rent increases to take effect on August 1 or thereafter. We can't get legislation through this House in a reasonable, rational way if it is introduced after the Throne Speech in mid-March and if there is to be any kind of meaningful opportunity for the public to comment, whether or not there are public hearings. It seems to me that if the government is not prepared to make a commitment about the extension of rent review at this time, then they will simply be perpetuating the biased and inadequate way in which they have been administering the rent review programme. They will be demonstrating once again that they do not have the interest of tenants at heart.

So I say that we are dissatisfied with the responses of the minister. We ask what is the legal opinion and why won't the minister bring it to this House and why will the government not commit itself to a definite statement on its intention about rent review now?

Hon. Mr. Handleman: I think again my answer to the question that the hon. member put last week was quite clear that no, I do not have a legal opinion; no, I will not bring one here. I have consulted with our legal advisers. I am satisfied in my own mind that what they tell me is that there is certain protection provided for under the Act, perhaps not all the protection—

Mr. Foulds: Why don't you share that legal opinion with the House?

Hon. Mr. Handleman: This is a verbal opinion from the law officers of my ministry. They are not inscribed in stone and there is

no way I can bring them in. I take legal advice in that way. But, Mr. Speaker—

Interjections.

Mr. Deputy Speaker: Order, please.

Hon. Mr. Handleman: Mr. Speaker, what the hon. member is asking me to do is to tell him here tonight, or was asking last week when the question was asked, what are the government's intentions.

Mr. Renwick: No.

Mr. Warner: That is not what he said.

Hon. Mr. Handleman: I have repeatedly said that the government's intention will be announced in the usual way in this Legislature by means of statement or by means of legislation and I can't say when and I cannot now commit the government as to what that will be.

Quite frankly, I find it somewhat tiresome continually to hear the NDP claim some sort of monopolistic exclusivity on compassion and concern for people. I not only find it tiresome, I find it offensive.

Interjections.

Hon. Mr. Handleman: I find it offensive. It no longer washes with the people of this province.

Interjections.

Mr. Deputy Speaker: Order, please. I can adjourn the House without notice.

Hon. Mr. Handleman: Mr. Speaker, I think I listened quietly to the hon. member and I want him to hear what I have to say because quite frankly it is tiresome to hear that kind of posturing come forward day after day and in these late night shows in which we hear it again.

There are many of us who have spent the better part of our adult life serving our communities. We do it out of concern for people. We will continue to do it and the people of Ontario recognize it which is one of the reasons why we are here and they are over there. Mr. Speaker, when the government has policies to announce they will be announced in the usual way, not as the result of a late night adjournment debate.

Mr. Deputy Speaker: The hon. member for Cornwall for no more than five minutes.

USE OF FRENCH

Mr. Samis: Mr. Speaker, the point I'm rising to speak to is the question I brought up on Friday to the Chairman of Cabinet (Mr. Brunelle) regarding the use of the French language in correspondence, which was prompted by a story in the Globe and Mail, headlined "Ontario Breaks Policy, Answers French Mail in English."

I'm bringing this question up because my question dealt with government policy, not with the Chairman of Cabinet per se, but with all ministries and those questions were essentially: Is there a government policy? Why did something like this happen? What does the government intend to do to ensure that all ministries follow that policy?

In the response I received from the minister he referred to his ministry and said that he couldn't answer for other members of the cabinet. I think the franco-Ontarian people of Ontario want to know: Do you have a policy; does it apply to all ministries? The essential question brought up by Mr. Levesque and his correspondence was: "Is this a right, or is this a privilege?"

Now we are living in an age when The Official Languages Act of this country says there are two official languages. We live in an age which has been, I would say, dramatically affected by what happened on Monday of last week with the election of a government which no longer just accepts B and B as be all and end all; it wants to separate completely from Confederation because of what it regards as injustices.

I think it is incumbent upon the province of Ontario, the sister province of the province of Quebec, with a minority of almost 600,000 franco-Ontarians, to treat these people in the full letter and spirit of The Official Languages Act, to adhere to the policy principles outlined by the Premier of this province (Mr. Davis) in 1971.

As the Chairman of Cabinet is the franco-Ontarian representative in the cabinet I would hope that tonight he would avail himself of this opportunity to give me a direct answer as to the policy as it relates to every single ministry, and answer the question whether franco-Ontarians can regard this as a right or a privilege; and if he can give us a clear commitment to the fact that franco-Ontarians have this right whenever they deal with the government at the ministerial level.

Hon. Mr. Auld: The hon. member has asked for a precise answer as to the policy of the government on whether communications addressed to the government and its agencies in the French language require an answer in the French language; and the short answer is "yes."

This was stated by Hon. John Robarts in 1968 to be the policy of the government, at which time he outlined the steps to be taken by the government to increase its capacity to implement that policy.

I don't think the House would like me to use this occasion to make a comprehensive report on the progress which has been made to provide government services in French where these are required. I can assure you, though, that this progress has been steady and is continuing.

Hon. members may recall that it was at the federal provincial conference of first ministers in Ottawa on February 5, 1968, that Mr. Robarts described the steps to which the government of Ontario was committed, in response to the report of the royal commission on bilingualism and biculturalism and the important constitutional issues that were being discussed at that time.

Mr. Robarts said that the government of Ontario would provide, wherever feasible, bilingual public services, so that the people of Ontario would be able to deal in either the English or French language with the various levels of government with which they came in contact.

He described the various steps which the government was proposing to give effect to this policy, and said specifically that the government had adopted a policy that all letters received in French by the Ontario government would be answered in that language.

Mr. Robarts confirmed the government's position in this Legislature during the Throne speech debate on February 27, 1968.

Mr. Cassidy: But you are not doing it.

Mr. Samis: It is now 1976.

Hon. Mr. Auld: This has remained the policy of the government since 1968 and I can assure the hon. members that all ministries are aware of it.

This is not to say there have not been occasions in the intervening eight years when government offices have not conformed with the policy.

Mr. Cassidy: You have a short memory then.

Mr. Roy: It is the rule more than the exception.

Hon. Mr. Auld: I know there are individual communications which have not conformed. When these are brought to the attention of the ministry I am sure that an appropriate apology has been made and corrective action taken.

Certainly when examples have been brought to the attention of my deputy minister, in his capacity as co-ordinator on bilingualism, he has referred them to the appropriate ministry and asked that a reply be given directly to the correspondent.

Mr. Cassidy: You shouldn't have to apologize, you should just do it.

Hon. Mr. Handleman: You also have a lock on perfection, do you, Mike?

[10:45]

Hon. Mr. Auld: I should like to assure the members of the House, however, that these individual cases do not represent any general disregard of the government's policy; nor should they be interpreted as an indication of any lack of concern for the rights of those who communicate with the government in French.

Mr. Cassidy: But that it how they interpret it.

Hon. Mr. Auld: While the original commitment made by Mr. Robarts referred to letters received by the government there is, of course, an equal responsibility to reply in French to those who communicate orally with government offices in that language. It is equally the intention of the government that this policy should be implemented but the capacity to do so depends upon the availability of public servants who are fluent in that language.

The government has been steadily improving its capacity to respond orally in French, giving the highest priority to the field offices in those localities in Ontario where the largest concentrations of French-speaking people reside. Improvement has been possible through emphasis on recruitment of francophone employees and through the operation of our own French-language school.

I suppose it is possible to have differing views on the government's policy on bilingualism and the progress which has been made to implement it.

Mr. Cassidy: There is always tomorrow.

Hon. Mr. Auld: One can emphasize the positive and conclude that the approach which Ontario has taken in a field which has been seen in a different historical perspective in each of the Canadian provinces has been both responsible and progressive.

The government of Ontario's policy, while not free of individual administrative oversight, is a policy which is executed in good faith as a measure of our responsibility as a government to provide French language service to the French-speaking citizens of our province. This policy complements some of the finest French language primary and secondary schols in any jurisdiction.

Mr. Roy: That's where you stopped.

Mr. Samis: You are getting condescending now.

Hon. Mr. Auld: This broadening of our education and service approach is a tribute to the even-handed and balanced commitment of our province to serve all citizens fairly—

Mr. Cassidy: What a bunch you guys are.

Hon. Mr. Auld: —and equally, without either fanfare or self-preening.

Mr. Cassidy: This should be stricken from the record for fear of damaging our relations with Rene Levesque.

Hon. Mr. Auld: Our programme is sensitive, responsible and pragmatic. Those who would be insensitive, irresponsible or unfair in either distorting or overplaying isolated administrative problems—

Mr. Deputy Speaker: The minister has 10 seconds.

Hon. Mr. Auld: —do so against the best interests of our province, its people and our nation itself. Finally, I say that in response to any distortion, be it by a member of this House, a citizen or a member of the media, responsibility in this respect, in these times, must not be the sole dominion of government.

Mr. Cassidy: There will be no detente between the Premier and Mr. Levesque after that.

The House adjourned at 10:50 p.m.

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Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, NOVEMBER 25, 1976

The House met at 2 p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

MOPED HELMETS

Hon. Mr. Snow: Mr. Speaker, I would like to advise the House today that the amendment to The Highway Traffic Act, section 62, subsection 1, contained in Bill 129 passed last year, will be proclaimed in force on January 1, 1977.

This section at present covers the wearing of approved helmets by persons operating motorcycles.

The amendment will also make the wearing of such helmets mandatory for moped drivers.

For the past year, my ministry has been studying various types of helmets to select one suitable for wearing by persons operating a moped, or motor-assisted bicycle.

As the hon. members are aware, we did this with a view toward making the wearing of helmets compulsory once one was chosen which met the ministry's safety specifications.

Mr. Cassidy: It took eight months.

Hon. Mr. Snow: We examined moped helmets of many designs and materials, including those used in other countries.

In the end, we did not feel that any of them possessed significant advantages over the helmets currently worn by motorcycle riders, and hence the same helmet standards will apply to both types of vehicles.

According to the most recent ministry statistics, four moped drivers were killed and 203 injured on Ontario roads during the first nine months of 1976. Happily, these figures represent a 50 per cent decline in fatalities and a 53 per cent drop in injuries over the previous year.

However, the select committee on highway safety wrote to me a few weeks ago voicing the feelings of representatives of all three Ontario political parties and very strongly urging that the government, without delay, take action on the compulsory wearing of helmets by moped drivers.

I am announcing a change to The Highway Traffic Act, making it mandatory, effective January 1, 1977, for all who drive mopeds or motor-assisted bicycles to wear helmets of the type approved as motorcycle helmets.

In The Highway Traffic Act, an approved motorcycle helmet meets the standards of the Canadian Safety Association, Snell Memorial Foundation, the British Standards Institute or the United States of America Federal Motor Vehicle Safety Standard 218.

Such helmets must bear the appropriate monogram or certificate identifying them clearly as one of the four approved motorcycle helmets.

Hopefully, this change in the law will help bring about an even greater reduction in the number of deaths and injuries experienced among moped drivers thus far this year.

FUNDING AND TUITION FEES

Hon. Mr. Parrott: Mr. Speaker, I wish to announce funding levels for 1977-78 for the universities and colleges of applied arts and technology and to announce an adjustment to fees.

With regard to funding the university system, I have accepted the advice of the Ontario Council on University Affairs. We will provide operating funds of $703 million in 1977-78, a $52 million increase over this year's projected expenditures of $651 million.

The colleges will receive operating grants totalling $250 million, up from $230 million in the current year.

We believe the increased costs faced by universities and colleges should be borne in part by the students who use them and in part by the taxpayer. Consequently, we have suggested that universities increase their tuition fees for a two-term academic year by $100. Tuition fees for a similar period in the colleges of applied arts and technology will be increased by $75. This will be the first increase in five years.

Average academic fees in the universities have been frozen at slightly less than $600

since 1972. The increase I am asking for in 1977 will result in an average annual increase over five years of 3.2 per cent.

In the colleges, fees have been fixed at $250 since 1972. Next year's increase to $325 will mean an annual average increase over five years of 5.4 per cent.

These figures, 3.2 per cent for the universities and 5.4 per cent for the colleges, compare to an annual average increase in the consumer price index of 8.1 per cent.

Looking at it another way, fees currently make up 14.4 per cent of universities' incomes from fees and grants, down from more than 17 per cent following the 1972 fee increase. The 1977 increase will result in tuition fees amounting to 16.1 per cent of this income.

This means that even after the increase university students will only be paying, on average, about 16 per cent of their educational costs. Taxpayers will continue to pay about 80 per cent with the remainder coming from private sources.

Similarly, in the colleges, fees were roughly 13 per cent of income in 1972 and they are about 10 per cent of income in the current year. After the increase next year, students will again be paying 13 per cent of the costs of their education.

This increase in tuition fees does not change the government's commitment to ensure that students' access to post-secondary education is not limited by their financial resources.

As in the past, students who can't pay their full share of education costs may apply for financial assistance from the Ontario Student Assistance Programme.

Mr. Bain: They will never get it.

Hon. Mr. Parrott: Higher tuition fees will be taken directly into account in assessing these students' financial needs. The assistance programme's budget for grants provided by the province will be increased from $61 million in the current year to $74 million in 1977-78.

Currently students are required to borrow $1,000 before they can receive non-repayable funds from the province. I am pleased to confirm that this level of required borrowing will not have to be increased.

The fee increase is dictated by two obligations: First, the obligation to maintain a responsible attitude toward public expenditures; and second, the obligation to maintain the quality of the post-secondary education system so that it will continue to meet the needs of the people of Ontario.

The province's financial situation does not permit us to meet necessary funding levels wholly from provincial revenues. We can see no acceptable alternatives to the one we have chosen. In the circumstances, I believe the taxpayers of Ontario, the institutions and the students themselves are best served by the moderate fee increase we have proposed.

In conclusion, I will emphasize again that we intend, through the Ontario student assistance programme, to continue our firm policy that no deserving student will be denied, for financial reasons, a place in Ontario's post-secondary educational system.

Mr. Cassidy: More and more of them have been turned away.

Mr. Speaker: Order, please.

Hon. Mr. Parrott: I will meet with the student council presidents in two weeks' time to reassure them about this policy and to discuss any other concerns that they may have at that time.

Mr. Cassidy: They can't go, because they can't get jobs. It's true; 20 per cent of them can't get jobs. There were none, that's why.

Mr. Speaker: Order, please.

LAND SPECULATION TAX EXEMPTION

Hon. Mr. Meen: Mr. Speaker, on November 10 the hon. member for Hamilton West (Mr. S. Smith) asked for an explanation of the land speculation tax exemption that was granted to the Ronto Development Company on its sale of lands in the city of Brantford to George Wimpey Canada Limited.

When this question was raised, I indicated that since the matter had occurred some months earlier and was quite complex, I would like to refresh my memory before reporting to the House. I am now prepared to make a complete report.

The grant of exemption to Ronto was made under Ontario Regulation 340/76, dated April 15, 1976. Since that time, it appears that the merits of the action taken in the Ronto case have been somewhat obscured in various media reports of the matter. I am pleased, therefore, to have this opportunity to explain the matter fully so that the House may be assured that the exemption was justified.

Mr. Sargent: Sure it was!

Hon. Mr. Meen: At the outset, I would like to say that exemptions granted by way of a regulation for a specific transaction, such as the one involving the lands sold by Ronto, are uncommon. Such a grant of exemption is considered only where there are extenuating circumstances not specifically covered by the legislation and where the grant of exemption is in conformity with the main intent of the legislation and serves the public interest.

One important aspect of the land speculation tax legislation is that an exemption from the tax may be earned by an owner who services or develops land for residential purposes or for other beneficial uses prior to sale. An exemption for such servicing or development, subject to certain conditions, was specifically provided by the Legislature in section 4(k) of The Land Speculation Tax Act.

Mr. Sargent: The first thing you have to be is a Conservative.

Hon. Mr. Meen: An alternative way of stating this principle is to say that the legislation was not intended in any way to impede the servicing or development of land for residential or other beneficial purposes. Indeed, since the land speculation tax was not designed primarily to raise revenue for the province, we could be criticized if the legislation were not applied in a positive way to remove any unintended impediments to development.

This point is worth stressing. Although there was, in the Ronto case, the possibility that some or all of the land speculation tax payable by Ronto might be added to the eventual cost of the housing, a more basic justification for the exemption was the need to ensure that the extenuating circumstances in this case, for which there was no specific provision in the legislation, would not impede the important objective of expanding the supply of housing.

Mr. Bullbrook: You can't be serious with this.

Hon. Mr. Meen: Let me outline briefly what these extenuating circumstances were. Ronto first came to the attention of the Revenue officials shortly following the death of Mr. Ron Todgham in December 1975. Mr. Todgham had been the chairman of the corporate partnership carrying on business under the name of the Ronto Development Company and in that capacity was intimately involved in its management.

Up to that time, Ronto had been proceeding to develop the lands in question with a view to selling these lands to builders as fully serviced lots. Had the development work been completed, there was every expectation that the eventual disposition of the lands by Ronto would have fully qualified for the automatic exemption provided in the land speculation tax legislation.

[2:15]

Indeed, by December 1975, the development work had been underway for some time. For example, to facilitate the annexation of the land by the city of Brantford, Ronto had participated in the preparation of the economic base studies and had assisted in the preparation of other official plan amendments. A draft approval of a plan of subdivision had been received from the city and Ronto's engineer had prepared the engineering designs and specifications for servicing the subdivision and had received approval for these from the city. Development had, in fact, proceeded to the state where Ronto had called for tenders for the installation of services on a portion of the property.

Mr. Bullbrook: All of which increased the value.

Hon. Mr. Meen: All that was required to complete the development work was to install the services.

Mr. S. Smith: To improve the land.

Hon. Mr. Meen: However, the extensive financial involvement of Mr. Todgham at the time of his death, coupled with the requirement of his estate to liquidate his financial obligations, made it difficult if not impossible for Ronto to continue the financing of the installation of services to the point where the company could have qualified for the automatic exemption from tax.

The offer of Wimpey to buy the property and continue with the development and installation of services to the point where building permits were available, provided the assurance that Ronto's difficulties would not unduly impede the completion of the work already in progress. Furthermore, Wimpey also gave its undertaking to the Minister of Revenue to proceed with the building of housing units on the serviced lots and to sell these units to the public. I might also mention in passing that the completion of Wimpey's undertaking in this regard has been ensured by a lien upon the lands in favour of the Crown under a land transfer tax deferral that was granted to Wimpey in accord-

ance with section 16(1) of The Land Transfer Tax Act. That's order in council 892/76, dated April 7, 1976.

Given these various circumstances, I now ask the House to consider the alternatives confronting us when the matter of a possible grant of exemption to Ronto was first raised. Although Ronto had already proceeded in good faith with a substantial part of the work necessary to complete the servicing and development of the lands, the work at the time of Mr. Todgham's untimely death had not yet reached the point where building permits would have been available, and where an automatic exemption from land speculation tax would thus have been earned by the company without the need for any special regulation.

The question, then, was whether it was in the public interest and within the intent of the Act to impose the tax strictly on the basis that building permits were not available, as was required under the automatic exemption provisions of the legislation, or to recognize the extenuating circumstances and grant a specific exemption in order to remove an unusual and unforeseen impediment to the development of housing, as was clearly authorized in the regulatory provisions of the legislation.

Thus, on the one hand, if the decision were made to deny the exemption, then, in view of the inability of Ronto to carry out the servicing and development necessary to obtain building permits, there was the prospect that either the land might not be sold quickly or that, if sold, the use of the land for housing might be considerably delayed.

On the other hand, if the decision were made to grant the exemption to Ronto, there was a firm undertaking by the purchaser, Wimpey, not only to complete Ronto's obligations to service and develop the lands, but also to produce and sell approximately 2,300 homes to the public by June 30, 1983.

It was, of course, evident that a substantial gain would be obtained by Ronto on the sale of the property and that the exemption would provide a large tax relief. However, this relief was considered to be of secondary importance in view of the extenuating circumstances relating to Mr. Todgham's death: the work already completed by Ronto, the inability of Ronto to continue with that work, and the certainty that the completion of the sale to Wimpey would provide Ontarians with this new stock of housing.

We concluded there was a strong case for using the power provided in the legislation to grant the exemption so that this substantial housing programme would be certain to proceed.

Mr. Nixon: Friend of the developer. Ten million dollars. Friend of the developer—remember that phrase? Friend of the developer.

Mr. Speaker: Order, please. Order.

Hon. Mr. Meen: Finally, I would like to clarify one other matter raised by the hon. member for Hamilton West (Mr. S. Smith). He suggested that Ronto had derived a profit of some $10 million from the sale of the land. Such a figure may, of course, be obtained by subtracting the consideration paid by Ronto from Ronto's proceeds of disposition of some $12 million. These amounts are available in the public record.

However, I would like to correct any impression that $10 million would have been the amount to which land speculation tax would have applied if the exemption had not been granted. Although the conveyance of the land to Ronto was not registered until June, 1974, the land was actually acquired by Ronto in 1973.

Tax would therefore have been computed by reference to the "net taxable value," after deducting the April 9, 1974, fair market value and all other adjustments authorized in the statute from the proceeds of disposition, including the very large expenditure to develop the land.

Mr. Bullbrook: What was that difference? How much was the difference?

Mr. Nixon: You are not concerned?

Mr. Bullbrook: Did you calculate the difference?

Mr. Speaker: Order please. The hon. minister has a statement.

Mr. Bullbrook: What value did you put on it? As of April? You didn't even go into the April value?

Mr. Speaker: Order. The member for Sarnia is out of order.

Hon. Mr. Meen: Regrettably, I am unable—

Interjection.

Mr. Bullbrook: He didn't as minister. He didn't even go into the April value.

Hon. Mr. Meen: Regrettably, I am unable to provide the specific amounts submitted to the ministry by Ronto since I am bound by the secrecy provisions of the statute.

However, I can assure this House that although the exact figures were not totally verified by ministry officials because of the granting of the exemption, the actual net taxable value to which tax would have applied would not have been anywhere close to the figure mentioned by the hon. member.

Mr. Nixon: You didn't even find out how much you were going over.

Mr. Bullbrook: You don't even know yourself how much you have lost.

Hon. Mr. Meen: I believe this may be obvious, in view of the escalation of land values that occurred in the months immediately prior to the introduction of the tax in April, 1974, and during which the land in question was held by Ronto.

Mr. Lewis: Before we enter the question period, could the minister read that last paragraph again?

Hon. Mr. Meen: I shall read it immediately, Mr. Speaker, if that's in order.

However, I can assure this House that although the exact figures were not totally verified by ministry officials because of the granting of the exemption, the actual net taxable value to which tax would have applied would not have been anywhere close to the figure mentioned by the hon. member. I believe this may be obvious, in view of the escalation of land values that occurred in the months immediately prior to the introduction of the tax in April, 1974, and during which the land in question was held by Ronto.

Mr. Bullbrook: How did they know about it? You didn't calculate your loss.

Hon. Mr. Davis: We are going to eliminate the whole thing.

TILE DRAINAGE LOANS

Hon. W. Newman: Mr. Speaker, I am pleased to inform the members that the government will be making $18 million available to municipalities for tile drainage loans in the 1977-78 fiscal year. The interest rate will be the same as it was this year—six per cent.

Early in December I will be sending letters to the municipalities informing them of the amount that will be made available. The amount each municipality will receive is being calculated on a pro rata basis covering its borrowing for the previous three years. For the purposes of this calculation, the figure being used for the current year is the amount a municipality would have borrowed had the government restraint programme not affected the total amount available. A small part of the $18 million will be set aside in a special fund for those municipalities that have not made tile drainage loans in the past three years.

Throughout the year, Mr. Speaker, we will be reviewing these allocations and adjusting them, so that if some municipalities do not need their full allocation the money can be made available to those that need more.

For example, this year we monitored the funds in the tile drainage programme and found that about eight per cent of the budget —approximately $1.3 million—would not have been spent. These funds were then reallocated to municipalities requiring additional funds. We will follow the same procedure in 1977-78.

The importance of tile drainage is well recognized. It is one of the most effective single means of increasing crop yields.

I might point out, Mr. Speaker, that this is an ongoing programme and in the last three years ending March, 1977, the government will have made $45.5 million available for municipalities to lend to farmers.

POINT OF PRIVILEGE

Mr. Riddell: Mr. Speaker, before the oral questions, I wonder if I could rise on a point of privilege?

At 10 this morning, sir, I was called by a Mr. Don Southcott, indicating that he was going to hold a press conference in the buildings here at 11:45, and I was asked to be at that press conference.

I went down to the press conference at 11:45, and although the Minister without Portfolio (Mr. Henderson) gave a very brief introduction, he turned the press conference over to Mr. Don Southcott to explain his involvement in the transfer of Severn Park to the town of Grand Bend and the township of Bosanquet. Now I am wondering, Mr. Speaker, if the member is not abusing his privileges by setting up a conference—

Interjections.

Hon. Mr. Bernier: You were embarrassed.

Mr. Riddell: —by setting up a press conference for one who is no longer involved in the government? Granted, he is still a member of the Conservative Party.

Mr. Cassidy: It's like Darwin Kealey, Mr. Speaker.

Mr. Speaker: Order please.

Hon. Mr. Bernier: Mr. Speaker, on a—

Mr. Bullbrook: Sit down, the Speaker is on his feet.

Mr. Speaker: I am not familiar with the names of the gentlemen you mentioned except, of course, the one who is an hon. member of the House. I am not sure whether we have a point of privilege here. It doesn't seem so to me but I will take it under advisement and if so, I will so advise the member in the House.

Hon. Mr. Bernier: On a point of privilege, I think the members of the Legislature should be made aware of the fact that the hon. member who just made a comment made a statement in the Legislature Tuesday afternoon that in the transfer of certain public lands to another public body in the Grand Bend area, certain political overtones were involved.

Mr. S. Smith: He asked a question.

Hon. Mr. Bernier: He made accusations—

Interjections.

Mr. Speaker: Order, please.

Hon. Mr. Bernier: —regarding a certain individual, a Mr. Don Southcott, indicating that there was political hanky-panky. This morning at 10 o'clock, Mr. Don Southcott was here as a citizen of this province to defend himself and to clarify that there was nothing of the kind and nothing wrong. He should be given that right.

Interjections.

Mr. Speaker: Order. I think I have made the only comment which is appropriate for me at this present time.

Mr. Lewis: I'll be bringing Cliff Pilkey in tomorrow, Mr. Speaker.

Hon. Mr. Davis: I'm sure you've met before. He lets his views be known.

Mr. Lewis: I agree. And you can hear him for miles around.

Mr. Speaker: Oral questions.

LAND SPECULATION TAX EXEMPTION

Mr. Lewis: May I ask the Minister of Revenue, first, an opening question: Has there ever been any other specific exemption granted, under extenuating circumstances or otherwise, which was granted apart from the provisions within the Act? Is this the sole instance in which a particular exemption was granted outside the provisions that exist within the Act?

Hon. Mr. Meen: Mr. Speaker, I think the answer to that question is "Yes, it is the only one. No, there have been no others." But I would want to check that one. It certainly is the only one that comes to my recollection at the present time.

Mr. S. Smith: I have a supplementary; I intended to put it during my own question time, Mr. Speaker. Can the minister confirm that what he was basically saying about this particular exemption is that the main reason this was given was that there was an intention on the part of the company—of which one of the principals died—to go ahead and develop the land, and that was considered the main reason for actually exempting them from a tax which is on the statute books?

Hon. Mr. Meen: Mr. Speaker, I have indicated that there was a body of reasoning and it wasn't related to one item only. Certainly, one ingredient in all of this was that the company had not been speculating. They were in the course of developing the land for residential accommodation and had every expectation that they would have reached that in a short while. Had this exemption not been granted there was every expectation that goal of further housing in the market would not have been accomplished or would have been significantly delayed.

Mr. Makarchuk: A supplementary.

Mr. S. Smith: A supplementary.

Mr. Speaker: I think we will allow the member for Hamilton West with his second supplementary, but—

Mr. Bullbrook: I have a supplementary, I believe.

Mr. Speaker: Well in the first place, the original question had to do with further examples, so if there really is a supplementary, I believe it would be better if the hon. member for Hamilton West would save it for his leadoff questions on that subject because it was his original question. I am sure he will want to pursue it further.

Let me see now—did we have an answer to that? I think we had better have this supplementary. The member for Brantford.

Mr. Makarchuk: To the same minister. Is the minister aware that implied in his statement was the assumption that Wimpey bailed out Ronto? Is the minister aware that there were other buyers for that property and—

Mr. Speaker: Order, please.

Mr. Makarchuk: —the property was sold to the highest buyer?

Mr. Speaker: Order, please. For the same reason, that is not a supplementary to this particular question.

Mr. Bullbrook: May I attempt one?

Mr. Speaker: Yes. The hon. member for Sarnia.

Mr. Bullbrook: Based on the original question which had to do with any other development of this policy, I understand that the minister's two bedposts for coming to his conclusion were: One, the intention to develop; and two, the need for liquidity. Since when has it become a policy of this or any other government that the taxpayer's need for liquidity is a consideration in granting an exemption?

Mr. Speaker: Order please, this would be related more to another question, which I'm sure some member will ask later.

Mr. Eakins: Let him try it.

Mr. Speaker: If we could stick to this particular question at this time, you'll have the opportunity later.

[2:30]

HYDRO NIAGARA ESCARPMENT LEASE

Mr. Lewis: A question, if I may, of the Minister of Energy: How is it that Ontario Hydro leased 700 acres of its land which it holds in the Niagara Escarpment to the Rose Community Development Company—I think the principal is one Peter Lush—for the purposes of a major development on that land, that is to say a golf course at the minimum, without once consulting with either the Beaver Valley community and the Beaver Valley official plan, or the Niagara Escarpment Commission?

Hon. Mr. Timbrell: Mr. Speaker, I'm not familiar with the individual named by the member. I'm aware there was a lease arrangement entered into recently. I will check into more of the background as to what contacts were made. So far as I know, the firm referred to approached Hydro, months or a year or two ago, to express an interest in leasing the property to further develop its recreational programmes. I'll get more information on it and report back.

Mr. Sargent: The minister must be aware that over the years Hydro has spent many hundreds of thousands of dollars in developing that whole area. Why does the need to help Mr. Lush out supersede the needs of Hydro?

Mr. Davidson: Because he's a Tory.

Hon. Mr. Timbrell: Mr. Speaker, the property in question is one which Ontario Hydro has held for a great many years and at this point has no plans whatsoever to develop. As I said in answer to the original question from the member for Scarborough West, the particular firm in question approached Hydro a long time ago—I really don't know how long ago; I know it's months if not years—and indicated an interest in leasing it, and since it is at the present time surplus to Hydro's needs, Hydro did consider the lease proposal and did execute an agreement.

Mr. Sargent: Why weren't the local officials notified?

Mr. Lewis: I have a further supplementary, which I would appreciate the minister checking into. Could he find out why Hydro entered into this extraordinary leasing arrangement—$1 an acre a year, I think, for 700 acres—when in fact there was a motion on January 18, 1973, from the Beaver Valley Planning Board, that no private development be allowed on these lands, and at no time was the advice of the Niagara Escarpment Commission sought, whose authority and obligation it is to protect those public lands from private use without at least advance consultation with the communities involved?

Hon. Mr. Timbrell: Mr. Speaker, I'll certainly look into that, and I think one of the points I'll be looking for is whether that resolution to which the member refers in 1973, had to do with residential development, the development of permanent buildings, or whether it referred to any kind of development. As I understand the project, it is, in fact, recreation related in terms of cross-country skiing, golf course and so forth.

I must point out, and if the member is not aware of this I should tell him, that it is the policy of Ontario Hydro to lease Hydro right of way land to municipalities, for instance, for $1 a year, where those municipali-

ties wish to use the land for recreational purposes. In fact, the first time that was done was in the riding of Don Mills when I was the alderman for that area and negotiated the deal on behalf of the council.

Mr. Warner: Naturally.

Mr. Cassidy: Look at you now.

Hon. Mr. Timbrell: That's $1 a year for any amount of land that the municipality will take over for recreational purposes. So it's not that unusual.

Mr. Cunningham: You guys are really something, you really are.

Mr. McKessock: Mr. Speaker, is it not true that if this land isn't rented to the municipality and is rented to a private enterprise it is the procedure to put it up for tender?

Hon. Mr. Timbrell: Mr. Speaker, the land isn't for sale.

Mr. Sweeney: Tender for lease.

Hon. Mr. Timbrell: Again, I'll get all the background information, but from what I know at this point, Hydro had no plans whatsoever to sell or to lease the land; it was just sitting on it, if you will. They were approached and asked to consider and, in fact, I understand—

Mr. Davidson: That is why your government is sitting on it.

Hon. Mr. Timbrell: —they did an internal appraisal as to its worth for an annual rent and the amount that was offered was in excess of what Hydro's own people advised was a reasonable annual rent.

Mr. Lewis: Supplementary: Perhaps the minister will be able to tell us then how he responds to the letters which the Beaver Valley Planning Board agreed to send urgently last night to him and his colleagues, the Minister of Natural Resources and the Minister of Industry and Tourism, to find out why, when that was never the intended use of this land from Hydro's original acquisition of it, all of this proceeded without any consultation with the Niagara Escarpment Commission or the local planning authorities. I don't know how Hydro gets away with it, but would the minister please look at it in that context?

Hon. Mr. Timbrell: First of all I want to find out whether in fact that is correct that there has been no consultation. I think along with that, though, one must find out whether there is a requirement—when you are not talking about permanent buildings; when you are talking about recreational land and keeping land in, if you will, an open category of use—whether there is a requirement on them to do so.

Mr. Lewis: It is an official plan.

MINIMUM WAGE

Mr. Lewis: A question, if I may, of the Minister of Labour: Can the Minister of Labour clarify the government's policy intentions in respect of reducing the minimum wage for those who are receiving tips in certain parts of the hotel and restaurant industry?

Hon. B. Stephenson: Mr. Speaker, I can simply state that the government's intention is no such reduction.

Mr. Cassidy: Bennett goes down the drain again. Too bad, Claude, you've been ditched once more.

Mr. Lewis: May I, by way of supplementary, on behalf of my caucus, thank the Minister of Labour for tightening the knot in Claude Bennett's tie.

Hon. Mr. Bennett: It feels very comfortable.

Mr. Lewis: You will find you can breathe easier, Claude, when it is loose.

Hon. Mr. Bennett: I have always breathed easier when you are asking questions, Stephen.

Mr. Lewis: I am having trouble reading my notes.

Hon. B. Stephenson: Get some glasses.

Mr. Lewis: Yes, I will.

GSW-CGE MERGER

Mr. Lewis: My last question of the Minister of Labour: Has she entered into negotiations over the workers who are losing their jobs in Fergus around the question of retraining—it is the General Steel Wares plant, I believe—since so much of the work force consists of people over 50 years of age?

Hon. B. Stephenson: Mr. Speaker, I had inquired of the staff in my ministry the precise information about the programme which is going forward, because I am informed that the development of a joint employment ad-

justment committee for that purpose is being considered. I shall clarify that and report to the House.

LAND SPECULATION TAX EXEMPTION

Mr. S. Smith: Mr. Speaker, a question of the Minister of Revenue: First of all, since it seems to be a fact that his officials did not even calculate the actual tax that would have been payable and did not actually verify the valuation that was put on the land by Ronto, is the minister now prepared to accept that this whole matter should be looked at by the public accounts committee? If not, will he accept some other form of inquiry such as a judicial or other form of public inquiry into this matter?

Hon. Mr. Meen: Mr. Speaker, the first thing I suppose I have to repeat for the benefit of the member for Hamilton West is that once cabinet has decided that an exemption from the tax is appropriate, then there is no point in going through an audit procedure to check the figures submitted by the applicants.

Mr. Bullbrook: You don't care what you lose.

Hon. Mr. Davis: You people are going to eliminate the whole tax.

Mr. S. Smith: That would have been fairer than just eliminating it for your friends.

Hon. Mr. Meen: Certainly, they did give us some figures so that we would have an idea of what we were talking about.

Interjections.

Mr. Speaker: Order, please. The hon. minister is answering the question.

Mr. S. Smith: The Premier provoked me.

Mr. Speaker: May I say in response, I was referring to all interruptions.

Hon. Mr. Meen: Had cabinet decided that exemptions from the tax was not an appropriate avenue to follow, then of course we would have carefully examined and checked the figures to determine the amount exigible. I have no objection to the figures, to the extent that they can be made public, being made public. I have done so.

Mr. Sargent: How much did the bag man get?

Hon. Mr. Meen: I have no objection to the Provincial Auditor examining these accounts in due course, when he is doing his accounting for what will be the fiscal year ended March 31, 1977.

Mr. Nixon: The whole thing should be examined.

Hon. Mr. Meen: But it does strike me as foolish and a needless waste of effort to put him or any other body through an exercise of checking out calculations at this time, when of course the exemption has been granted. I think we can be proud of the fact we have some flexibility built into this statute and that we can, where it is desirable and in the public interest, make sure that the statute does not operate to the detriment of the public.

Mr. Cassidy: That is absolute balderdash.

Mr. S. Smith: You are going to lose on this one.

By way of supplementary: Since I understood the minister to say the houses would not have been built by Wimpey and the deal would not have gone through unless Ronto had been given this exemption, and that this was one of the pressing reasons for the exemption having been granted, can the minister please explain to this House why Wimpey, or any other buyer for that matter, would give a hoot whether or not Ronto, from whom it was buying the land, would owe a certain amount of tax to the provincial government? What difference could it possibly have made to Wimpey or any other buyer in this particular deal, and how could that possibly be used as a justification for exempting this much in the way of land speculation tax?

Hon. Mr. Davis: You've got to be kidding.

Hon. Mr. Meen: The two aspects of this are completely different. In Wimpey's case, it is a non-resident contractor, developer and builder, and it applied to us for an exemption under the appropriate provisions of The Land Transfer Tax Act—nothing to do with the land speculation tax exemption subsequently granted to Ronto.

Mr. S. Smith: We're not arguing that at the moment.

Mr. Speaker, the question is simply this: Since the two main reasons the minister gave were, first, that Ronto intended to build on the land, and second, that the minister didn't want to delay or impede the possibility of houses appearing there, why would the company that eventually built—it turns out to be Wimpey; it might have been any

other buyer—care a hoot whether or not Ronto was in for some taxes to have to pay the provincial government? Why wouldn't it have gone ahead and bought the property anyway and built the houses? Why would the minister say it was going to impede the houses?

Hon. Mr. Meen: Mr. Speaker, the total transaction was on the basis of a purchase price that Wimpey was prepared to pay.

Mr. Bullbrook: How do you know that?

Mr. S. Smith: They told you that, I guess. A little bird told you that. You know what they were prepared to pay.

Hon. Mr. Meen: So therefore, the exemption under The Land Speculation Tax Act was there as part of the consideration which the Ronto organization would have to take into consideration. It was not prepared to sell at a price that would reflect the payment of tax and Wimpey was not prepared to purchase at that exalted, reflected price.

Mr. S. Smith: You know what was in Wimpey's mind?

Hon. Mr. Davis: Ask any of your colleagues who know anything about it.

Mr. Speaker: Order, please.

Hon. Mr. Meen: Even if it had been, it's obvious enough that that additional cost would have been reflected further in due course in the sale price of the houses produced and sold by Wimpey.

Mr. S. Smith: There is no market any more in this province, eh? The market doesn't determine price any more?

Mr. Makarchuk: Supplementary: Can the minister indicate why Ronto was granted a tax remission of $677,000, supposedly for farming the land, when the land was in fact being farmed by the original owner?

Mr. Speaker: Order, please. I believe that's a different question. It's an appropriate question for later.

Mr. Renwick: Could I ask the minister what role his ministry played in working out the arrangements between Wimpey and Ronto, in order that Ronto could meet a serious liquidity-cum-tax problem and Wimpey, on the other hand, could obtain the land with the benefit of the exemption and, therefore, presumably at a lower price? What was the role of the government with respect to the reasons given by the minister for permitting this exemption to take place?

[2:45]

Hon. Mr. Meen: So far as I am aware, my ministry played no role in bringing the parties together or in their negotiation of the transaction. The picture was presented to my officials as a conditional agreement between the parties, as I understand it, which agreement would be consummated only in the event of the remission of any attraction of land speculation tax.

Mr. Good: They held you up to blackmail.

Hon. Mr. Meen: From Wimpey's standpoint the deferral under The Land Transfer Tax Act—

Mr. Singer: They both came together, did they?

Hon. Mr. Meen: —since they were prepared to undertake to construct and sell accommodation within a specific period of time, would also be part of the transaction.

Mr. S. Smith: How do you know there wasn't another buyer who would have paid more?

Mr. Lewis: Do you mean they both came together to blackmail the government as a tax rebate?

Mr. Speaker: Order, please.

Mr. Nixon: I wonder if the minister could clarify his answer to the question from my leader. Is he opposing the motion that may come before the House a few minutes from now—that is a request from the public accounts committee to look into this matter thoroughly—when the purchase price paid by Ronto was less than $1.5 million, and a bit more than a year later they received $12 million for this property, even though they are supposed to have put an increased value up to $6 million on it? Is the minister indicating the Provincial Auditor should look into this, when the cabinet, by order in council, has indicated that he should have nothing to do with it all?

Hon. Mr. Meen: I have already answered that question.

Mr. Lewis: Supplementary: Did I hear the minister right? Did he say simply Ronto and Wimpey had a conditional agreement which they submitted to his officials, the essential condition being that if the remission of the tax didn't go through the transaction wouldn't

occur, therefore driving the government into a position of capitulation to the demands of these two corporate concerns?

Mr. S. Smith: How do know somebody else wouldn't have paid more?

Hon. Mr. Meen: I did not put it in that fashion. The agreement was submitted to my officials, as I understand it, as an application by or on behalf of Ronto, simply saying to us, "Here, look, we have worked out this agreement with Wimpey, conditional upon our—and we are prepared to work out the agreement and complete the agreement with them provided we do not attract land speculation tax."

Mr. Bullbrook: So you were involved.

Mr. Nixon: Wasn't $10 million enough for them?

Mr. Speaker: Final supplementary.

Mr. Bullbrook: I want to reiterate the question I put before. Is the minister serious in his statement that he and his cabinet colleagues took into consideration the need for liquidity of the Todgham estate in assessing the exemption? And does the minister recognize the type of condition precedent that he is establishing here; that, in effect, taxpayers can tell the government they need liquidity to seek out an exemption? What possible justification is there for that?

Hon. Mr. Meen: I think perhaps that aspect of the statement should be clarified—

Mr. Bullbrook: Yes, it should be.

Hon. Mr. Meen: There is certainly no intention to try to bail out a company because it is in an illiquid position.

Mr. Bullbrook: But that is what you said in your statement.

Hon. Mr. Meen: No, I am saying that—

Mr. Bullbrook: No? Read your statement.

Hon. Mr. Meen: No, I am saying that Ron Todgham's estate required to be settled. He was no longer there as chairman of Ronto. Ronto itself was in an illiquid position as a result of having to settle up with the Todgham estate.

Mr. Sargent: Quit flogging that.

Hon. Mr. Meen: In that position they were unable to continue with the financing of the construction and installation of the services. Therefore, because of that illiquidity they were going to be unable to bring these serviced lots on the market.

Mr. S. Smith: I have a new question, but on the same topic, for the Minister of Revenue. Do I understand that the minister is now establishing a precedent—and I wish he would correct me on this—whereby, for example, if a taxpayer intends to gift certain of his assets to members of his family to avoid succession duties, and he actually were to die before he completed the transaction, the minister would be prepared to exempt him from such succession duties? Has this become a new principle because he intended to gift members of his family, for example? The fact that they intended to build on this surely does not exempt the middle man who made this kind of profit from paying land speculation tax?

Interjection.

Mr. Speaker: Order, please.

Hon. Mr. Meen: For one thing, the hon. member is importing this kind of principle into another piece of legislation, namely The Succession Duty Act.

Mr. Nixon: You are the minister there too.

Interjection.

Hon. Mr. Meen: I would say that with respect to The Land Speculation Tax Act we are looking at actual acts and steps which they had taken in several cases in their course toward getting these lots on the market as serviced lots. There is not just a matter of intention. There is a matter of action that they have taken in any number of ways, from draft approvals right through the letting of tenders for the installation of services.

Mr. S. Smith: If I die with a pen in my hand I am still not going to be exempted, and you know it.

Mr. Speaker: Order, please.

Hon. Mr. Meen: Let me just remind the hon. members that one of the principles of The Land Speculation Tax Act is that we get a write-up in value in the case of the death of the holder of real estate, and this, in effect, was one of the principles that found itself in this case. The plan which was going forward was potentially frustrated by the death of their principal. Consequently, we had to look at that as another element along with all of the other factors.

Mr. Cassidy: Supplementary: Is the minister satisfied that the full benefit of the

remission of tax from the ministry was passed on to Wimpey, or did some of it accrue in extra profits in Ronto?

Mr. Speaker: Order, please. This new question had nothing to do with Wimpey. It was a general question about exemption of tax of some kind or other having to do with the settling of an estate. It didn't refer to Wimpey.

Mr. Cassidy: The second part of it was relevant.

Mr. Speaker: Okay, we'll hear the supplementary.

Mr. Cassidy: Is there now a precedent that, where two companies that are unrelated reach a conditional agreement about the transfer of property, they will also be eligible for remission from the ministry from the land speculation tax?

Hon. Mr. Meen: Very simply, no.

Mr. Cassidy: We don't believe you.

Mr. Speaker: Order, please. May I just point out we have spent about 12, 13 or 14 minutes on this particular question. I'm sure the hon. Leader of the Opposition (Mr. Lewis) has further questions. We'll hear a final supplementary from the member for Wilson Heights.

Mr. Singer: I wonder if the minister has established a precedent that anyone who intends to develop is entitled to get an exemption for his vendor on the basis of this theory now enunciated? How then can he draw the distinction?

Hon. Mr. Meen: Again very simply, no.

Mr. S. Smith: I sincerely apologize for the time, Mr. Speaker, but this is an important issue, as I'm sure you'll agree.

Mr. Speaker: I understand.

OHTB BUS LICENCE

Mr. S. Smith: A question of the Minister of Transportation and Communications: Has the government had any involvement in and, if not, will the cabinet in fact overturn the decision of the Ontario Highway Transport Board to permit some American-controlled private bus lines to operate in competition with the publicly-owned Gray Coach, owned by TTC, on certain profitable lines presently being operated by Gray Coach?

Hon. Mr. Snow: First of all, any company or any individual has the right to make an application to the Ontario Highway Transport Board for operating rights under either The Public Vehicles Act or The Public Commercial Vehicles Act. Certain applications were made some months ago to the Highway Transport Board, hearings were established and hearings were held. To be very specific, relating to what I believe was the first part of the hon. member's question, he asked did I or did the government have any involvement with the Highway Transport Board.

Mr. S. Smith: And if not, will they overturn the decision?

Hon. Mr. Snow: May I say that I did not have any discussion with the chairman or any member of the board. I cannot speak for anyone else. As the minister responsible for the Highway Transport Board, I do not discuss cases before the board with the chairman or with any member of the board.

Mr. Conway: Did the Minister without Portfolio (Mr. Henderson) hear that?

Hon. Mr. Snow: The decision was made and was rendered, I believe, on Monday of this week by the chairman of the board after very long and extensive hearings that were held some several months ago. I believe the hearings went on for some seven days.

Regarding the other part of the hon. member's question, to my knowledge there has been no appeal made to cabinet under the terms of The Public Vehicles Act, that parties can make an appeal to the Lieutenant Governor in Council of the decision handed down by the board. Of course if this appeal should be made, it will be dealt with in the normal manner by the cabinet committee and eventually by full cabinet. I do not know whether there will be an appeal or not.

Mr. S. Smith: Supplementary: If such an appeal does arrive before the Lieutenant Governor in Council from Gray Coach, as it appears it will, can the minister give us some assurance that he will not permit the publicly-owned Gray Coach to end up costing the taxpayers money by taking away its only profitable runs and putting them into the hands of United States private bus interests?

Interjection.

Hon. Mr. Snow: Mr. Speaker, as I say, Gray Coach, like any other company, has an obligation under its licence to supply service.

The criteria, when applying for a licence under The Public Vehicles Act, or The PCV Act, are based on public need, necessity and convenience—I believe it says—to the travelling public. As I understand it, during the hearings a great many witnesses appeared before the board giving evidence as to the service or lack of service. It was on hearing seven days of testimony, as I stated, that the board came to the decision that it did.

Now whether Gray Coach is owned publicly or by the TTC, I don't think it releases them from an obligation to live up to the terms of their licence or to supply service. The decision, I believe, was made by the board after fully considering the evidence presented at seven days of hearings.

Mr. Philip: A supplementary: Admitting the seriousness of the minister's interfering with a decision of the board, can the minister tell us whether he has developed any kind of criteria by which to judge when an intervention can be made or should be made by the ministry in a decision of the board?

Hon. Mr. Snow: No, Mr. Speaker. I have no criteria as to that and I don't believe, necessarily, that I should interfere with a decision of the board. The board issues a decision and—granted, the Act says the minister may issue the operating licence on the certificate of the board. The certificate, as I understand it, has been issued by the board. There's provision, as I said before, in the Act for any party to the action to make an appeal to the Lieutenant Governor in Council. Whether or not that will happen, I do not know.

Mr. S. Smith: A final question to the Premier arising from the answer given by the Minister of Transportation and Communication: The Premier undoubtedly heard the minister say that the minister himself did not intervene before this board. Given, however, that the counsel for the American companies which were applying for these routes are rather well-connected to the party in power, can the Premier tell us whether any member of his government other than the minister himself, appeared or had a part in the decision which the Ontario Highway Transport Board has made? Will he assure us that he will overturn this decision and keep Gray Coach a profitable operation?

Hon. Mr. Davis: Mr. Speaker, I don't want to be provocative—

Mr. Conway: Did you get rid of "the eagle" last night?

Hon. Mr. Davis: —but as I understand the perhaps implied suggestion in the member for Hamilton West's question—I would like some clarification and I'm being very specific in this clarification—

Mr. Conway: As circuitous as possible.

Hon. Mr. Davis: —is the hon. member suggesting that some member of the government did, in fact—

Mr. S. Smith: I am asking.

Hon. Mr. Davis: When he asks, he is by implication suggesting that a member of the government did contact the transport board.

Mr. S. Smith: Just answer the question.

Mr. Nixon: Why don't you answer the question?

Mr. Speaker: Order, please.

Hon. Mr. Davis: The answer to that is very simply no.

Interjections.

Hon. Mr. Davis: That's fine, but the member should be a little careful how he phrases those questions.

Mr. S. Smith: Don't lecture me. Just answer the question.

Hon. Mr. Davis: You people have gone down that road before.

Interjections.

Hon. Mr. Davis: What was the next question?

Mr. S. Smith: You are a bit touchy today, aren't you?

Hon. Mr. Davis: I'm just trying to help you a little bit.

Mr. Speaker: Order, please. Order.

Mr. S. Smith: Is the Premier going to overturn it and keep Gray Coach profitable?

[3:00]

Hon. Mr. Davis: Mr. Speaker, if the hon. member for Hamilton West is asking me, as head of the executive council, to say that if there is an appeal, before knowing the facts and seeing what the basis for the appeal is, I will commit myself in this Legislature, even prior to the launching of the appeal; then I say that if the members for Wilson Heights (Mr. Singer), and Sarnia (Mr. Bullbrook) and elsewhere, even the member for Kitchener

(Mr. Breithaupt)—could give this member any advice whatsoever, they would tell him that would be totally improper and I have no intention of giving such commitment until an appeal, in fact, is launched with cabinet. They are shocked at his suggestion.

Mr. Good: What's government policy?

An hon. member: Tell it to Lorne.

Mr. Bullbrook: We are shocked at his statement.

Hon. Mr. Snow: Mr. Speaker, if I may, on a point of clarification, the hon. member for Hamilton West has referred many times during his questions to "this American company." I would like to point out that to the best of my knowledge Greyhound Coach Lines Limited and its subsidiaries are federally chartered Canadian companies, and I believe are owned approximately 40 per cent by Canadians.

Mr. S. Smith: I said American controlled.

Hon. Mr. Snow: You said American owned.

Mr. Speaker: The hon. Provincial Secretary for Social Development has the answer to a question asked previously.

SPECIAL EDUCATION GRANT

Hon. Mrs. Birch: Thank you, Mr. Speaker. On Monday, November 22, the leader of the third party asked my colleague, the Minister of Education (Mr. Wells), about a grant to the Ontario Foundation for the Visually Impaired. It is my pleasure to notify him that statutory grants of $13,000 will be provided by the Ministry of Health, and $12,000 will be provided by the Ministry of Education, a total of $25,000, for the establishment of a developmental programme for blind children at the High Park Forest School here in Toronto.

HYDRO RATES

Mr. MacDonald: A question of the Minister of Energy: Since we are within five weeks of the new year, is the minister in a position to indicate whether the government and/or Hydro have come to a decision with regard to the bulk power rates for 1977?

Hon. Mr. Timbrell: As the hon. member knows, after the Energy Board reported, the board of Ontario Hydro indicated that it would accept that. The government had not yet decided whether it will intervene in the process.

Mr. MacDonald: Is the government giving any consideration to providing the short-term cash flow needs of Hydro so that it might smooth the rates and reduce the burden during this period of wage restraints over the next year?

Hon. Mr. Timbrell: Mr. Speaker, I didn't quite catch the full question, but I think the member was asking if we are looking at the question of smoothing. I think I indicated in the House at the time the Energy Board report was considered by the House that that obviously is an option that's open, although it does have certain implications in terms of additional borrowings, particularly in 1977, and does have the implication of making electricity rates in 1979 higher than they would be otherwise.

Mr. Lewis: Supplementary: Why is the minister not prepared just to say that it looks as though he is going to bring that Hydro rate increase down and he will have a specific date on which he'll announce it.

Hon. Mr. Timbrell: There are a number of things the government wants to consider, not the least of them being the projections of capital availability, of course. We also wanted to see how this would work out with some of the commissions, and it's interesting to note that some of the commissions are projecting that if the 30.3 per cent bulk power rate increase were, in fact, to go ahead for 1977, local rates to residential consumers would go up by as little as 20 per cent. I say "as little"; that's relative to the 30 per cent increase in bulk power rates.

Mr. Foulds: Some of them are projected much higher.

Mr. Peterson: Supplementary: Has the minister considered sending this increase to the AIB for approval, since there is precedent for sending electrical energy rate increases to the AIB? Has he considered that option?

Hon. Mr. Timbrell: The officials of Ontario Hydro met with officials of the Anti-Inflation Board yesterday, and according to the Anti-Inflation Board a 30.5 per cent rate increase would be justified.

Interjections.

Mr. Lewis: I'm surprised they hadn't asked you to increase it.

SEVERN PARK DEVELOPMENT

Mr. Riddell: Mr. Speaker, a question of the Minister of Natural Resources: Being that I was asked to attend the conference here in this building, conducted by a land developer from Grand Bend by the name of Don Southcott and attended by the Minister without Portfolio (Mr. Henderson), I would like to ask the minister what both the Minister without Portfolio's and Mr. Southcott's involvement were in his decision to turn Severn Park over to the town of Grand Bend, considering that at an earlier date he turned down the request, saying that the park was too far removed from Grand Bend to suit the needs of the people for a recreational complex?

Hon. Mr. Bernier: Mr. Speaker, I gather the hon. member for Huron-Middlesex is smarting because of my earlier comments.

Mr. Nixon: No.

Interjections.

Mr. Speaker: Order, please. Can we get on with the answer? Thank you.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Bernier: I think he owes the gentleman, Mr. Southcott, a public apology.

Mr. Speaker: Order, please. I cannot hear the answer.

Mr. Ruston: What's the apology for?

Mr. Breithaupt: For what? For asking a question in the House?

Hon. Mr. Bernier: I want to repeat that, a public apology.

Interjections.

Hon. Mr. Bernier: Be a man and apologize to that individual.

Mr. Conway: Where's Darwin Kealey?

Hon. Mr. Bernier: He should apologize.

Mr. Breithaupt: For what?

Mr. Speaker: Order, please.

Hon. Mr. Bernier: He knows.

Interjections.

Hon. Mr. Bernier: He tried to destroy an individual.

Interjections.

Hon. Mr. Bernier: Mr. Speaker, in answer to that particular question, I do believe the hon. member has misused his privilege as a member of this Legislature.

Interjections.

Hon. Mr. Bernier: The hon. Minister without Portfolio brought to me a strong delegation of which a certain individual in the person of Don Southcott was part. They presented me with a brief, a very detailed brief.

Mr. Nixon: So he was down to see you, was he?

Hon. Mr. Bernier: Yes, accompanied by members of the Chamber of Commerce, the Lions Club, very responsible and respectable people from the municipality of Grand Bend—

Mr. S. Smith: Conservatives.

Mr. Cassidy: You guys are feathering your own nests.

Mr. Speaker: Order, please.

Hon. Mr. Bernier: —who are anxious for the development of a recreational facility following their examination of other areas in the immediate area of Grand Bend.

Mr. Cassidy: Kealey, Southcott.

Hon. Mr. Bernier: It was obvious to me, on a further review of that particular brief, that it made good sense to provide this particular facility, which was surplus to my ministry, to that particular municipality for the development of a recreation facility which would benefit the entire area. I've gone over the proposal and I am satisfied.

Mr. Cassidy: A supplementary.

Mr. Speaker: Order, please. Obviously there was not desire to hear the answer so why ask it?

Mr. Nixon: I would like to ask a supplementary.

Mr. Speaker: Order, please. The hon. member for Brant-Oxford-Norfolk.

Mr. Nixon: Why wasn't that done before if it looks so good now that Mr. Southcott has come down with a delegation?

Hon. Mr. Bernier: The previous member asked for an answer and I just gave it, Mr. Speaker.

Mr. Nixon: No, he didn't, Mr. Speaker.

Mr. Speaker: Order, please.

Mr. Nixon: The minister didn't tell us why he turned it down before.

Mr. Speaker: Order, please.

HURONIA REGIONAL CENTRE

Mr. G. E. Smith: I have a question of the Minister of Community and Social Services concerning the Willard report. In view of the problems that some local citizens in my area have experienced with some residents of the adult rehabilitation centre at Edgar, will the minister consider applying the recommendations of the Willard report to this facility as well?

Hon. Mr. Taylor: In response to that, I think there are a number of the recommendations which have equal applicability—

Mr. Conway: Not quite. Get the marbles out of your mouth.

Hon. Mr. Taylor: —or application—is that all right?

Interjections.

Mr. Breithaupt: It's your turn next Monday.

Interjections.

Mr. Speaker: The hon. minister, please.

Hon. Mr. Taylor: May I say initially how much I truly appreciate the involvement of my colleague. He has certainly been a tower of strength to me—

Mr. Breithaupt: Words fail you.

Hon. Mr. Taylor: —in working out problems in his riding insofar as they apply to the centre at Orillia. I may say that my ministry is currently working with the Ministry of Health in terms of defining three units which could function under The Mental Health Act; and of course there is also the one that is recommended at our facility at Penetang, which I think would accommodate the problem that concerns the member. That is being proceeded with now.

Mr. Warner: Why don't you just resign?

Interjections.

Mr. Cassidy: Supplementary, Mr. Speaker.

Mr. Speaker: I think we just have time for one final question.

SERVICES DE SANTE EN LANGUE FRANCAISE

Mr. Samis: J'aimerais poser une question au ministre de la Santé. Est-ce qu'il peut nous dire quelle priorité il accorde au rapport du Comité d'Action concernant les services en français dans le domaine de la santé et quand la population francophone d'Ontario peut s'attendre à ce que des mesures soient prises conformément aux recommandations de ce comité?

I might add, Mr. Speaker, if my Molière is proven incomprehensible, I've provided translation in the language of Shakespeare for the hon. minister.

Hon. F. S. Miller: Dès qu'il m'a donné la question, je n'ai pas ma réponse écrite comme lui-même mais mon avis, je vais donner la première priorité à ce rapport et je discutais hier avec mon sous-ministre et j'espère que j'aurai une réponse dans deux mois.

Mr. Nixon: Thank you, Mr. Diefenbaker.

Mr. Speaker: The oral question period has expired.

Interjections.

POINT OF PRIVILEGE

Mr. Riddell: Mr. Speaker, may I rise on a point of privilege? When I was expressing the concerns of the people in Bosanquet township in the question I directed to the Minister of Natural Resources, in his answer he said that I was misusing my privileges here in the House. I believe I was not misusing my privileges and I think that if he is man enough he will apologize.

Hon. Mr. Bernier: Mr. Speaker, I will be glad to apologize, if the hon. member will apologize to Mr. Southcott.

Interjections.

Mr. Speaker: Order, please.

Petitions.

Interjections.

Mr. Speaker: Can we proceed to the next order?

Presenting reports.

REPORTS

Hon. F. S. Miller presented the annual reports of the Ontario Mental Health Founda-

tion for the years 1973-74, 1974-75 and 1975-76; the annual reports of the Clarke Institute of Psychiatry for the years 1972, 1973, 1974 and 1975; the annual reports for the Ontario Cancer Treatment and Research Foundation for the years 1971, 1972, 1973 and 1974; and the annual reports of the Alcoholism and Drug Addiction Research Foundation for the year of 1975.

Mr. Germa from the standing public accounts committee presented the committee's report which was read as follows:

Your committee recommends:

That it be empowered to examine the sale in May, 1976 of 280 acres of land from Ronto Development Company of Willowdale to George Wimpey (Canada) Limited of Waterloo; and further that a complete record of all expenditures and disbursements in this transaction be provided to your committee.

Mr. Speaker: Shall this report be adopted?

Hon. Mr. Welch: In rising to speak to this particular motion, I'd like to make one or two observations. We will support this motion but we do so without establishing a precedent.

Mr. Nixon: How can you do that?

Mr. Speaker: Order, please.

Mr. Nixon: You either support it or you don't.

Hon. Mr. Welch: The hon. member who has just interjected will realize if he would give me an opportunity to express some observations here, that we find in this particular motion which is being submitted today and in the one a week ago some obvious deviation from what has become the established and traditional role of the public accounts committee, that is—

Mr. Sargent: It is all going to be changed.

Mr. Speaker: Order, please.

[3:15]

Hon. Mr. Welch: —that is to examine the audited public accounts of the province of Ontario, which is their responsibility. I am suggesting that if we are by these particular motions being asked to review the role of the public accounts committee that perhaps it would be wise for us to openly have a discussion in this House about the role of the public accounts committee.

I would feel that the public of this province are looking to the public accounts committee and this Legislature to study the public accounts. There is a matter of time and energy and if we are going to be expecting this particular committee to go on specific assignments such as these and they become more numerous, what committee in the House is going to study the public accounts? It would be a fairly practical question I think that we might want to give some consideration to.

Mr. Nixon: There is a gap in the accounts.

Hon. Mr. Welch: So I would think under the circumstances that we would—

Mr. Nixon: They are studying a revenue gap.

Hon. Mr. Welch: —be very reluctant to stand in the way of this motion going through because we feel that this matter, in view of the question period and so on, is one which should be completely reviewed, but we would not want the opportunity to go by without raising some very serious questions and inviting some discussion at some later time as to the actual role that we see for the public accounts committee.

Mr. Germa: I am sure, Mr. Speaker, you understand that the motion presented was the will of the public accounts committee—the majority will at the public accounts committee. I feel that precedent is not really being established because I do recall on three previous occasions when the public accounts committee, charged with dealing with certain expenditures of the province of Ontario, found that they were dealing with history while contemporary items of high public import are happening in the community.

For the benefit of the House leader, in my term of public accounts, which goes back some several years, I think there has been a rethinking of the public accounts role in the whole sphere of examining government expenditures. I think there is a public demand that those issues which are current, which are of high public import, have reason to be looked at now rather than delayed 18 months hence when the public is no longer interested, or maybe the horse is out of the barn and we are coming to close the door at a later date.

Hon. Mr. Welch: There is a 45-minute question period every day here too.

Mr. Germa: That point was also raised in our deliberations at public accounts that the question had been asked—this particular question we are dealing with—on two previous occasions and satisfactory answers were not

forthcoming for the past two weeks. Now whether knowledge of this motion today motivated the Minister of Revenue (Mr. Meen) to make the statement, I cannot say. Maybe the statement was coming. But I suspect that maybe knowledge of this motion coming before the House might have expedited his statement.

Mr. MacDonald: Just a coincidence.

Mr. S. Smith: He told me Monday.

Mr. Germa: I will give him the benefit of the doubt and I will say it was coincidental.

Mr. S. Smith: I just want to say that I have had a little bit of experience in this regard in the federal House inasmuch as I acted as executive assistant to a member who was chairman of the public accounts committee and a very distinguished one. I think the House leader for the government does make a reasonable point when he says that it is usually the nature of the public accounts committee to look at the audited statements of the government, rather than to be a watchdog over day to day expenditures. There are other ways to do this.

However, I think we could stretch the meaning of it to accommodate this and if it does mean we have to change the function of the committee, well, so be it. Personally, what I would prefer would be some assurance from the government that perhaps a provincial judge or some other suitable person be empowered to conduct a separate private inquiry with wide public input concerning the whole Ronto matter, in which case we don't have to burden the public accounts with this. But since the government apparently is unwilling to do this, then I feel we ought to take the second best, which is admittedly perhaps a weak position, that is to use the public accounts committee.

In passing may I just say that the Minister of Revenue indicated to me very carefully at the beginning of this week that he did have a statement ready and I certainly will give him that credit. I am sure he restrained himself from giving the statement when the mini-budget was presented and he waited for a suitable occasion and I have no objection to that particular matter.

If you will give us another form of inquiry, Mr. House Leader, believe me we would be just as happy not to burden the public accounts committee with it. But the government can't have it both ways.

Hon. Mr. Meen: There are just a couple of points I would like to make, and they really touch on the matter of the delivery today. I have had the statement ready since Monday in a somewhat longer form than it was as delivered today. I told the hon. member for Hamilton West (Mr. S. Smith) that I hoped I would have it ready by Tuesday. Then, of course, as he has already indicated, we had the lengthy statements on Tuesday, which occupied most of an hour. It was for that reason it was left over to today; it wasn't any matter of the action of the public accounts committee this morning that precipitated it, although I must say that I was glad I was ready with the statement today.

My only other observation, expressed earlier as a misgiving about referring it to the public accounts committee, is along the same lines as expressed by my House leader, namely that one begins to wonder, what is the public accounts committee supposed to be doing with its time? We have nothing to hide, and I am quite content to have this matter dealt with by the public accounts committee if that is their wish. I take it from the motion passed by them today, and the recommendation now before the House, that that is their wish. Certainly we will co-operate to the fullest extent we can within the law.

Mr. Makarchuk: As the member of the public accounts committee who initially moved the motion, I welcome the Conservative House leader's statement to discuss the functions of the public accounts committee. I think there has to be some line drawn between bona fide investigations of public spending and going out on witch hunts or sort of far-fetched fishing expeditions. I think we probably will have to sit down somewhere and try to work out those rules. But I would like to point out that in this case this is the first year that the public accounts committee has had an opportunity not to be dominated by government members and to go out to examine some of the things that I think have to be examined.

In this particular case, one of the things that concerned me a great deal was the statement made by an official in the ministry to the effect that the statement that was filed by Ronto with the government was not audited. In other words, the minister accepted the statement at its face value. He didn't question it, and he left it at that. That really concerned me, outside of the fact that there is a difference in terms of the selling price and the purchase price of $10 million—the minister's figure indicates the difference should be only $6 million—the fact that there were certain remissions granted and so on.

I think these are the kind of things that cannot be fully answered or fully investigated during the question period. The only agency in the House that is able to do it, in my opinion, is the public accounts committee; hence, my request in the public accounts committee this morning that it should look at this particular transaction.

Mr. Reid: I rise to speak on this motion as a former chairman of the public accounts committee and to support the motion. It has been indicated that this is a new departure, but during the year and a half that I was chairman the committee dealt with the matter in regard to the Ontario Northland Railway; we got special permission from the House, and we had information that was as up to date as we could make it. The matter had been raised in public accounts, and it was a historical thing, but the House allowed us the privilege of also getting the reports from the internal auditors to bring us right up to date.

The point has been raised here—I believe it has to be discussed, and the sooner the better —as to what role the public accounts committee should play. Admittedly, we are waiting for the examination of the new Audit Act from the federal government to see how our Auditor should operate in the province of Ontario. But it goes without saying that the public accounts committee is the only committee that has the ability to call before it, in any great detail, civil servants and people from the deputy minister up or down, whichever one prefers, to deal with specific problems that have been pointed out and recognized by the Auditor in the province of Ontario.

I think that finally, and only finally in my nine years here, are we beginning to see the public accounts committee function as the investigative body, with the time it should have. I would like to see particular people be seconded to the public accounts to do investigative work and be able to report back to the public accounts committee. I think this is the one committee that has the ability. We don't have that ability in question period—ministers can refuse to answer questions. We only have the 45 minutes, which increasingly is being taken up by the leaders' questions. We don't have that ability in the estimates, because we don't always have the people there, and because of the length of time we have for the estimates. The public accounts committee is the only vehicle we have in the provincial Legislature in which we can get at the background, the history, the details and have the people in front of us.

I support the motion. I would hope that the government will take some action in expanding the role of the public accounts committee.

Mr. Peterson: Mr. Speaker, if I may, everybody's been very charitable today, but having been sitting on that committee I'm just a trifle more cynical, because the government members in committee this morning argued very strongly that this thing should not be brought to the House today, and, if my recollection is correct, they all voted against bringing it here. What we are facing today, I respectfully submit, is the fact that the government would be defeated on this particular motion if they did not support it, because they did not support it in committee this morning.

I think it's a very interesting exercise in the sense that we now have an opportunity to deal with something as it is happening, or at least with some proximity in time to the actual taking place of events, just as we are doing in the case of Minaki Lodge. I personally think this is an excellent way to approach some of these critical problems. The harsh reality is that in the public accounts committee the figures are stale, we're a year or a year and a half after the fact in reviewing all of these things, and I must say I'm very encouraged to hear the government House leader saying he is prepared to look at new ways for the functioning of the public accounts committee.

We did discuss this at the end of our committee meeting today, and there was a considerable amount of unanimity, in the very casual way that we discussed it this morning, that maybe we should be looking for new roles, that we should be looking for a way to act quickly on issues, rather than leaving them just to the post audit function.

There's one other thing that I want to say. As I said before, the reason it's on the floor here today is because the two opposition parties would gang up if the government did not agree. The question is if a majority government ever comes around in this province again—and one never knows about these things—I think that we should be looking at this bill and the new rules of this committee in terms that the opposition parties, even in a majority situation, should have the ability to discuss some of these kinds of issues, because it would be very easy for a strong government to prevent these kinds of issues from being brought forward. In my mind they're very important, in my mind it's a wonderful opportunity to act quickly, rather

than latterly, and I think the realities of the situation have forced the government to support this motion. I'm happy for that, and I hope there's a quick and expeditious solution to this problem. Thank you, Mr. Speaker.

Mr. Renwick: Mr. Speaker, I wasn't going to participate in the debate, but some of the comments which have been made caused me an immense amount of concern. I would be very loath to see the public accounts committee provided with an investigative staff, where, on its own initiative, it went out and started to investigate questions with respect to the public finance of the province of Ontario. I just happen to think that one must realize that the stability of any society in its capacity to adapt and make itself accommodating to change rests a great deal upon the confidence that people have in the financial integrity of the system under which it operates; and to provide for this assembly an investigative staff to the public accounts committee so that they could go out on their own and make investigations and bring it back to the committee seems to me to be extremely destructive in its intent, without further explanation from the member for London Centre (Mr. Peterson).

Mr. Singer: Is he through, or is he fatigued?

Mr. Renwick: I want to speak very briefly about the Ronto case; not to make any comment about the merit or otherwise of that particular case, but I want to express the concern which I expressed to members of our own caucus when this matter was being discussed. I think that the—

[3:30]

Mr. Speaker: Order, please. We're really discussing the matter of whether we'll adopt this report or not, so you had better keep to it.

Mr. Renwick: Mr. Speaker, if I may use the Ronto case as something called an example—if I could perhaps use it as an example to illustrate the point—the problem that has arisen and has been dealt with in a very intelligent way by the government and by the other two parties in the House is to recognize that there are occasions when the gap between the time when estimates are approved for expenditures by the government and the time when the results of those expenditures are examined does not always permit us to say we can allow that interval to take place.

I think it would be essential—and I, of course, have confidence in the members of the public accounts committee in any particular circumstance to exercise the proper judgement—that they've got to be satisfied that there is somehing which, as a lawyer, I would call a prima facie case that requires public discussion and further public disclosure in order to provide additional stability to the financial system or financial integrity of the province. I can well see that that would be necessary.

I would have hoped that we could have, without having a debate about the role of the public accounts, moved to that kind of an attitude without in any way saying that the public accounts can't do both—that there might well be occasions when their collective judgement on a particular matter says this requires discussion by public accounts because there's no other forum and we can't wait the length of time until we get the audited report.

But in view of the comments which have been made, particularly the blunt point made by the member for London Centre and to an extent, in a more facile way, referred to by the member for Rainy River (Mr. Reid), the former chairman of public accounts, I recognize now that I think it would be essential that consideration be given to the role and the scope of the public accounts committee. I, for one, would not in any way want to see the public accounts committee be transformed into some kind of a congressional investigative committee which appears to have a great deal of appeal to the member for Rainy River and the member for London Centre.

I would assume that it may well make sense for the public accounts committee to give a little bit of consideration itself so that we don't just talk about it in a vacuum. Perhaps at a convenient time in the early stages of the next session, should the pressures of the election campaign permit, we would have an opportunity then to reflect upon this matter and it may be that the House could consider giving authority to the public accounts committee, if authority is necessary, to sit on occasion when the House is not in session, to think a little bit, not about the specifics of its work but about its role in this changing circumstance. Then we would have the benefit of their consideration when we came to discuss it perhaps early in the next session.

Mr. Bullbrook: It wouldn't work in a majority government.

Mr. Sargent: I think that it's a sad day when the House leader implies that if we get

too investigative, if we don't follow the rules as in years gone by, maybe he might investigate the public accounts committee.

Hon. Mr. Welch: I didn't say that.

Mr. Sargent: The fact is that over the years we've had a majority government here—and now for the first time we have a meaningful committee that can ask questions to get information and we have the votes to get that information with the permission of the House.

It's amusing to see the panic situation now with the government members looking for bodies to protect themselves. The member for Mississauga East (Mr. Gregory) and the member for St. Andrew-St. Patrick (Mr. Grossman) are going to have ulcers if they continue to go through this motion of hunting for votes all the time every issue comes up.

I think to be meaningful we have to have the right somewhere along the line, as the member for Rainy River has stated, to have investigative research for the committee at times. That'll come.

Hon. Mr. Welch: Never. We had to run around to find you guys this morning to vote.

Mr. Sargent: We were well staffed. We had all the votes we needed there.

Mr. Nixon: If you weren't here Arthur Meen wouldn't know how to vote.

Mr. Speaker: Order please. The member is telling us whether or not he's going to support this particular motion.

Mr. Sargent: To listen to the government members, they say we can get the information we want from, No. 1, the question period—that's the biggest joke in the world—and No. 2, we can put it on the order paper. Ask any member of the opposition who has tried to get answers by having something on the order paper.

Mr. Ruston: It would take you two years there.

Mr. Sargent: The fact remains that, for once, we can shed some light on what is going on in Queen's Park. I think every citizen of Ontario will welcome the fact that from now on we can get to the bottom and see what the hell is going on. Thank you.

Mr. Singer: I agree generally with the principles being enunciated on all sides of the House, but I don't think the resolution that is presently before the House goes anywhere near to satisfying what the members believe should be forthcoming. I would invite you, sir, to look at the wording of the resolution. It says that the public accounts committee be empowered to examine the sale from Ronto to Wimpey and that a record of all the disbursements and expenditures be provided to the committee.

By whom is it going to be provided? These are not government expenditures. These are not government disbursements. Is the committee being asked to look through the books of Wimpey and to look through the books of Ronto and figure out what went on? I think this is really an exercise in futility and that if anyone wants to stall what the members of the House want to get at, this kind of a motion will appropriately do it.

One comment made by the Minister of Revenue caught my fancy. He said, well, in due course the Auditor will be reporting. I wonder just what the Auditor is going to report on. Surely the Auditor is not going to report on an exercise of cabinet discretion? I would think that he is barred from doing that. If he can't report on an exercise of cabinet discretion, what is there in the books that he can look at? There are no revenues. There is no indebtedness. There are no exigible amounts. So the Auditor really isn't going to find anything. He can thumb through the books until he is exhausted, as is the member for Riverdale (Mr. Renwick) and he is going to find absolutely nothing there to report upon at all.

Mr. Bullbrook: That's right.

Mr. Singer: I think if this motion is going to be reasonable at all, an amendment should be added to it to put some teeth into it. I take the Minister of Revenue at his word when he said, "I want to co-operate fully with the House so that this information can all be brought forward." That's what he said, and he said that just a few minutes ago. In order to assist him, sir—

Hon. Mr. Meen: Excuse me. On a point of order, Mr. Speaker, I added, "to the maximum extent permitted by the law."

Mr. Singer: All right, all right. I know, Mr. Speaker, and I would attribute no motive to my friend at all that he would not want to do anything that was illegal.

Mr. Nixon: I'm glad he made that clear.

Mr. Singer: In the amendment that I'm putting forward I would not suggest that the Minister of Revenue do anything that's illegal, and that he only do what is provided by the law.

Mr. Singer moved that the following words be added to the committee's recommendation.

And that the Minister of Revenue supply to the committee all documents that were filed in connection with the applications for exemption made herein, and that the appropriate officials of the Ministry of Revenue attend at the committee for the purpose of giving evidence in relation to these matters.

Mr. Singer: It would seem to me, sir, that with this clarification added to the motion as an amendment the public accounts committee then will be able to conduct the kind of inquiry that members from all sides of the House say they want to have conducted.

Hon. Mr. Meen: Mr. Speaker, before you put the motion, I feel bound to observe that here again there are certain provisions in The Land Speculation Tax Act with respect to the production of some of this information. I'm prepared to provide to the committee anything that may be produced within the context of the law. But the Act has certain provisions in it, and I must abide by those provisions. The motion put by the hon. member for Wilson Heights—I keep wanting to come back to Downsview for some reason—I suspect and I feel goes beyond that. If he would care to amend that motion by the addition of words, "to the maximum extent provided by the law," or words to that effect, then I could support the motion.

Hon. Mr. Welch: Members can't expect the minister to break the law.

Mr. Singer: Mr. Speaker, on a point of order, I am prepared to adopt those words because I don't know how I could move a motion in this House that is contrary to the law. The words are redundant, but if it will make the minister happy I will be glad to add them to my amendment.

Mr. Germa: On the amendment, as chairman of the committee I had assumed without the amendment that this was what was really going to transpire because the committee in the past has had the power to command officials of the ministry to come before it and bring with them certain documents and evidence. So I see no difficulty with the amendment. I would further like to say that when we are getting into the legal grounds it has been the custom in the past of the committee to obtain legal opinion from the Ministry of the Attorney General. They have co-operated quite well with us, even as early as just one week ago. A legal opinion was supplied to us by the Ministry of the Attorney General as it relates to supplying the committee with information from OHIP, which is now precluded under section 44 of The Health Insurance Act, the secrecy part of the Act. It was never the intention of the committee to demand those things which would offend any law.

Mr. Grossman: Mr. Speaker, before you call the vote, I wanted to make some comments on the entire discussion as it developed over the last 15 or 20 minutes. As my friend, the member for London Centre was saying, the debate—he wasn't saying this—this afternoon for a short time had a little surrealistic quality about it, ignoring what in fact has been going on at the public accounts committee over the last several weeks. A lot of members of the government party on that committee have looked at the issues as they have come before us.

I wanted to tell you, Mr. Speaker, that in spite of the fact that last week several government members on the sum and substance in the merits of the issue before us last week, which also involved going to the current account, supported the motion at the committee—

Mr. Makarchuk: But you didn't; you voted against it.

Mr. Grossman: That's quite right. Last week several government members did, because they felt that that issue was timely and appropriate. This week, this morning in fact, none of the government members went along with the motion.

Mr. Wildman: I wonder why?

Mr. Grossman: I want to tell members why. If whoever said that he was listening this morning I am used to interruptions because at public accounts—

Mr. Deans: Why are we listening to this? It has absolutely no consequency to the matter before the House.

Mr. Grossman: It absolutely does. What is going on at public accounts—

Mr. Deans: On a point of order.

Mr. Speaker: Order, please. The hon mem has a point of order.

Mr. Deans: I don't care what the member for St. Andrew-St. Patrick (Mr. Grossman) raised. On a point of order, the reason the member chose to vote one way or another in the public accounts committee last week is of no consequence with regard to whether

or not this House should or should not adopt this motion before us.

Mr. Bullbrook: Why not?

Mr. Speaker: The debate today is whether or not we shall adopt this motion as amended.

Mr. Deans: Nobody wants to know what he did last week.

Mr. Speaker: I believe the hon. member is in order in what he is saying.

[3:45]

Mr. Grossman: Thank you, Mr. Speaker. The reason a lot of us express reservations, in spite of the predictable bleatings of the opposition plus Sargent on this issue, was not in order to have a—

Interjections.

Mr. Speaker: Order, please. We do not refer to an hon. member by his name in this House.

Mr. Grossman: The opposition members plus the member for Grey-Bruce (Mr. Sargent)—

Mr. Singer: It's unparliamentary.

Mr. Grossman: We've been sitting in the public accounts committee for several weeks listening to totally irrational outbursts, in essence saying what the member for Brantford (Mr. Makarchuk) said a few minutes ago. That is, that now the opposition has momentary control, in terms of votes on the committee, we're going to forget everything which has happened before and each Thursday morning, I might add without notice to the committee, we are going to jump into whatever we feel like talking about this morning, which is of political convenience to the opposition majority on the committee.

Some of the government members on that committee are a little tired of facing the charge that because we want to—

Mr. Nixon: You mean there might be some embarrassment to the government?

Interjections.

Mr. Speaker: Order, please. Can we get on with this debate?

Mr. Grossman: Because we want to continue the order by study of the public accounts for 1974-75, which is what we were appointed to the committee to do, somehow we are involved in a coverup for the government.

Mr. Sargent: Sure you are.

Mr. Grossman: Out of respect for the members of the government party on that committee, who supported the motion last week, that's entirely unfair. I'm not speaking about myself because I opposed last week's witch hunt as well as this week's.

Mr. Breithaupt: Do you think there's a witch hunt?

Mr. Speaker: Order, please.

Mr. Grossman: It is entirely unfair to say my colleagues on the committee are involved in that sort of thing.

Mr. Reid: You have convinced me to vote for the motion.

Mr. Speaker: Order, please.

Mr. Grossman: I took a lot of time at the committee last week and this week to say—and I want to say it right now because it is very germane to the motion—

Mr. Singer: He is imputing motives.

Mr. Grossman: I'm not imputing them, I'll state them. I went on that committee, like other members of the committee did, not only with the public accounts book in hand but with a carefully drawn up agenda as well. It was drawn up by all of the committee last spring when we first met, setting out the dates, the orders and the items we were going to deal with out of the public accounts—essentially those items out of the public accounts which were of interest to the opposition members on the committee. That's how we got under way here.

What happened over the summer break was that suddenly, when the member for Grey-Bruce decided to start coming to the committee and full attendance by the NDP members started to occur, they began to see they could get away from the agenda. They could get away from the carefully set out order of business and go with what was politically advantageous for them for the time being.

Mr. Breaugh: Let him rock the boat.

Mr. Speaker: Order, please.

Mr. Grossman: Mr. Speaker, what happened subsequently was that the ordinary conduct of business, which had been carried

on as the public accounts committee has historically done, was disrupted. Granted not all the members of the committee but those of us who actually read the items and studied the items prior to the meetings each Thursday morning, would arrive on Thursday morning and find a new motion had been brought up. It was not in writing, not with notice to the members of the committee, but a new item was brought up, saying, as in the case last week, "This morning we've decided to ask for a study of Minaki Lodge." This morning the item was the land speculation tax issue. There was no notice to the members of the committee.

Mr. Sargent: Those things are embarrassing to you. That's what you are saying.

Mr. Grossman: What we are saying is we had an orderly flow of business in the public accounts committee.

Mr. Nixon: You have got jugulars bleeding all over.

Mr. Speaker: Order, please.

Mr. Grossman: It worked very well with a minority government in the spring, too. What's happened in the fall is that a conscious decision has been taken to move for the jugular at every point in time without notice to the other members of the committee.

The reason I want to speak on this motion and address myself to the remarks of the government House leader, who says this matter has to be determined one way or another in this House, is because that's exactly what I said in committee this morning.

Mr. Peterson: He supports it.

Mr. Singer: No more jugulars.

Mr. Grossman: I said in committee this morning that rather than banging this thing into the House this afternoon, perhaps these matters should be brought to the attention of the assembly to decide what the public accounts committee should be doing each and every week and whether or not we have an open ticket to study the current accounts henceforth. Calm members such as the member for Fort William (Mr. Angus) actually accused us of getting involved in a gross abuse and flouting of the parliamentary process. That's how hyper they are about a simple request to come to this assembly and say to the assembly, "At least tell me what we are going to be entitled to do each Thursday morning." I am getting tired each Thursday morning of arguing—

Interjections.

Mr. Grossman: —over the propriety of going into current accounts. I would like the issue resolved once and for all by this assembly. Just tell me that I am on the public accounts committee—

Interjections.

Mr. Grossman: —or the current witch-hunt accounts committee. I just want to know so I will know whether to bring my books down from the 1974-75 public accounts or not.

Mr. Breithaupt: Or your broom.

Mr. Grossman: That's why we want it done in this assembly once and for all, then we will know what we are about.

Interjections.

Mr. Grossman: Some members opposite, including the former chairman of the committee, have made some very good points about the role of the committee and the role of another committee. Perhaps these are items which should be dealt with by the Camp commission or by the assembly, but let's have that discussion in the proper forum for that determination, not in an ad hoc fight every Thursday morning in committee and every Thursday afternoon in the assembly.

I can't conclude my remarks without referring to a remark made by the member for Grey-Bruce when he talked about my colleague and me scrambling around for votes. This morning they embarrassed their very good member, the member for Victoria-Haliburton (Mr. Eakins). They dragged him into the committee for a total of 20 or 25 seconds. He sat down, raised his hand on instructions from the member for Grey-Bruce, and left the committee.

Interjections.

Mr. Grossman: That's the type of thing that's going on at the public accounts committee and that's the type of behaviour, together with the behaviour of the member for High Park-Swansea (Mr. Ziemba) when he went over and told the member for Grey-Bruce, "Eddie, get the rest of our members in." That's what he told him this morning, and then the member for Victoria-Haliburton showed up.

Interjections.

Mr. Grossman: That's the type of thing that's going on in public accounts and that's why this assembly has got to decide what we are doing in public accounts.

Mr. Sargent: On a point of order.

Mr. Speaker: Order, please. The hon. member has a point of order.

Mr. Sargent: The member for Victoria-Haliburton isn't even on the committee. You are wandering a bit.

Mr. Grossman: Well—

Mr. Sargent: Stutter again.

Mr. Grossman: I will tell you this, Mr. Speaker, if he isn't, then perhaps we had better reconvene the committee and have a vote again on the issue that's before the House. Perhaps the issue would have been lost, because the member did vote, the chairman of the committee permitted him to vote, and therefore perhaps we had better call the proceedings that ensued this afternoon entirely under question.

Mr. Sargent: Foiled you again.

Mr. Grossman: I want to conclude by saying what's going on at the committee is nothing more than a total panic situation. We at least succeeded this morning, I believe, in imposing upon the chairman some sort of undertaking to be kind enough at least to speak to the members of his own caucus and let us other fellows know perhaps an hour or so before the committee when they intend to pull one of these 1977 witch hunts on us.

Let's determine what public accounts does; that's what we want to see happen.

Mr. Singer: Is everybody mean to you?

Mr. Grossman: For those reasons I heartily support the motion of the House leader. I must say the government members and the House leader have done everything they can, in the ridiculous situation we are in in that committee, to make the committee work as best as possible under the witch hunts that are going on every Thursday morning.

Mr. Makarchuk: Mr. Speaker, I wish to make a few comments, particularly on the comments from the tired member for St. Andrew-St. Patrick. In the first place, I can't understand why he should be tired. He is never in the committee on time.

Mr. Grossman: I show up every week.

Mr. Speaker: Order, please. Let's get on with the debate on this particular item.

Mr. Grossman: I didn't know the member for Brantford was a member.

Mr. Speaker: Order, please. I would point out that the hon. member has spoken on the main motion. Now he is speaking on the amendment.

Mr. Makarchuk: One of the points brought out, and which was discussed this morning, was the fact that the committee should receive a notice of motion or some notice of such character to notify the members of the government, particularly, to be there in order that they can do their best to try to prevent it from going through—as was the effort this morning and certainly was the effort last week. I would like to enter into the record at this time an opinion that was solicited by the chairman of the committee on this matter—

Mr. Nixon: It has nothing to do with the amendment.

Mr. Speaker: Order, please. The amendment, if I might just remind the hon. members, has to do with the supplying to the committee of all documents that are legal to be supplied to the committee. The hon. member spoke on his reasons for supporting or otherwise the original amendment—

Mr. Makarchuk: Yes, I—

Mr. Nixon. You can't speak twice on the same motion.

Mr. Speaker: Order, please. The hon. member may speak on this matter of supplying the documents which were mentioned in the amendment.

Mr. Makarchuk: Absolutely, Mr. Speaker. I will be right on it, exactly as the member for St. Andrew-St. Patrick was.

Interjection.

Mr. Makarchuk: One of the points raised in terms of defining the deal, and having the right documents and the people to explain the documents, is that the member for St. Andrew-St. Patrick pointed out that he did not have notice.

Interjections.

Mr. Makarchuk: It has been checked out with the Clerk of the House, and the Clerk has given an opinion to the effect—and I will read the last paragraph of the letter—

Mr. Speaker: Order, please.

Mr. Makarchuk: "It has never been the practice"—

Mr. Speaker: Order, please.

Mr. Makarchuk: —"to require notice of motions in standing or select committees"—

Mr. Speaker: Order, please.

Mr. Makarchuk: —"and I am of the opinion that for once the committee—"

Mr. Speaker: Order, please. I believe the hon. member heard my admonition a moment ago. The hon. member has already spoken once to the main motion, and I think he should not be repeating his remarks on that. He should stick to the amendment. The hon. member for St. Andrew-St. Patrick hadn't spoken on either the motion or the amendment; so he was in order. The hon. member for Brantford should be addressing himself to the supply of these extra documents.

Mr. Makarchuk: I rise to speak in support of the amendment. I think it is a very necessary amendment in this case. I also wish to point out that again the committee has the right to do what it did this morning, despite what some members of this House like to say. If I may continue, this will give the committee an opportunity, as I said earlier, to do some of the things it has never been able to do before. When we are dealing with public funding and with taxpayers' money, I think it is of a very low order to call it a witch hunt when one wants to bring about some rather reasonable and sensible spending of the public—

Mr. Speaker: Order, please. I think the hon. member has made his point.

Mr. Breithaup: I am pleased to enter into this debate on the motion, particularly because of the involvement which I have had on the public accounts committee. I might call to the attention of the House that it was only in 1967 that an opposition member was given the chairmanship of this committee—

Hon. Mr. Meen: Now who would that be?

Mr. Breithaupt: —and the first person to serve was Mr. James Trotter, formerly the member for Parkdale. I had the privilege of serving for the next five years as chairman of the committee—

Hon. Mr. Welch: During majority government too.

Mr. Breithaupt: —and I think that during that time we at least were able to bring about quite a change in the approach that was taken by the committee.

Hon. Mr. Meen: That was our first mistake.

Mr. Breithaupt: As a result of the Auditor's reports which came forward, the committee was able to encourage the Provincial Auditor to make certain value judgements and to support him in the review of various expenditures as he saw problems arising and which, in his opinion, had not been thoroughly replied to by the ministry. It would appear now that the next stage of the operation of the public accounts committee is before the House; that is, whether it should have some investigative function and whether it should have some more positive effect in discussing issues of the day rather than issues that are 18 months or so old.

Mr. Speaker: May I point out that I believe it was indicated that would be a subject for future discussion, not for this afternoon?

Mr. Breithaupt: Yes, Mr. Speaker. In my remarks I only wanted to suggest to the House that we must very carefully review what the duties of this committee are to be. We have seen in the motion brought before us that there are certain matters from time to time which are going to cause the House to vote, as I believe it will vote today, in support of the motion so that we can deal with a certain issue of the day as it may be important to the people of the province.

The rules of various committees are being reconsidered by the House, and I do agree with the comments made by the House leader of the government that the role of the public accounts committee is obviously changing. It is, in my view, changing for the better. As part of the whole review of the operations of the House, the staffing and the other contributions which the public accounts committee can make are things which I think are going to be of great use to us as we go into a new session.

I certainly support this motion, and I hope that the result of it will be a useful investigation into an issue which I believe concerns all members of the House.

[4:00]

Mr. Speaker: Can we confine our remarks to this particular motion and its amendments? Thank you, very much. I mean, not the general comment about the overall function of the public accounts committee.

Mr. Nixon: Don't say anything, you are going to be out of order.

Mr. Deans: Thank you very much, I appreciate your comment.

I was particularly interested in the bleatings of the member for St. Andrew-St. Patrick. I want to remind you, Mr. Speaker, that many a day in this House there were times, over the last nine years, when I would dearly loved to have had the vote taken on the basis of the numbers of members present, rather than the numbers of members that could and will be present at the time the vote is finally taken. We would have won a lot of votes in days gone by under those conditions.

I want to say also, with regard to the matter before us, that there's no doubt that this is a departure from the way that the public accounts committee had operated in years gone by. But then it's always very difficult to imagine whether what they did in the years of large majorities was suitable and adequate, over and against what now is happening at a time when there is more proportionate representation with regard to the feelings of the people of the province of Ontario.

I also want to say, in answer to the member for St. Andrew-St. Patrick, that the chairman of the public accounts committee—and I think perhaps he may be aware of this, maybe not—but the chairman of the public accounts committee did make inquiries with regard to whether it would be necessary or appropriate for notice to be given of a motion intended to be put before the committee. In a written reply, dated November 25, over the signature of the Clerk of the House, I read to you the final paragraph.

It says: "It has never been the practice to require notice of motion in standing or select committees, and I am of the opinion that for one committee to pass a motion for such a requirement in that committee only it would constitute a change in the normal procedure, which could properly only be made by an amendment to the standing order."

Mr. Grossman: Mr. Speaker, a point of personal privilege.

Mr. Deans: Are you up again?

Mr. Grossman: Yes.

Mr. Speaker: The hon. member for St. Andrew-St. Patrick.

Interjections.

Mr. Speaker: Order, please.

Mr. Grossman: Mr. Speaker, I want to clarify this, lest the member is left with the impression that I said the chairman of the committee had not acted properly. I never said that or suggested that he had not acted properly. I simply said that in the circumstances there was nothing terribly surprising —I mean, if the other members of the committee didn't think of it at 10 to 10 this morning they might let us know in the ordinary course, as a courtesy—

Mr. Reid: You acted in a surprising manner, not in an improper one.

Mr. Singer: He's on a bleating witch hunt.

Mr. Speaker: Order, please. Could we base our discussion now completely on this motion? There has been a lot of strain, and we'll get into that—

Mr. Deans: That is in fact what I'm doing.

Mr. Speaker: May I just point out that there's a lot of discussion here this afternoon on the general question of the procedures and activities and possible future activities of the public accounts committee and that is not really what we're dealing with today. We're dealing with this specific motion; we're either for it or against it, and you may state your reasons why. Thank you.

Mr. Deans: Well, I'm for it. And I assume the member for St. Andrew-St. Patrick is for it too—

Hon. Mr. Welch: Next?

Mr. Givens: He changed his mind.

Mr. Nixon: The Minister of Revenue (Mr. Meen) is for it.

Mr. Givens: He changed his mind.

Mr. Deans: —since the government is voting with us. I want to tell you I'm for it because the statement made by the Minister of Revenue today convinced me that the standing accounts committee ought to review the matter. I felt that the statement made by the Minister of Revenue was clear and concise, and raised a sufficient number of questions in my mind about the appropriateness of the actions of the government, that it seems only proper that a committee of this Legislature should be empowered to review it and I think that we in this Legislature should, therefore, empower the public accounts committee to undertake that investigation.

Mr. Speaker: Mr. Germa, from the standing public accounts committee presented the committee's report, which read as follows:

"Your committee recommends that it be empowered to examine the sale in May, 1976, of 280 acres of land from Ronto Development Company of Willowdale to George Wimpey

(Canada) Limited of Waterloo. And, further, that a complete record of all expenditures and disbursements in the transaction be provided to your committee."

And then we had Mr. Singer's amendment adding the words: "That the Minister of Revenue supply to the committee all documents to the extent as provided by law"—are those words appropriate?

Mr. Singer: "To the extent as provided by law" goes in at the end. At the end of the whole thing.

Mr. Speaker: I'm sure the Clerk or somebody will readjust the language as it's all written here—"that were filed in connection with the applications for exemption made herein, and that the appropriate officials of the Ministry of Revenue attend for the purpose of giving evidence in relation to these matters."

Report, as amended, adopted.

Mr. Nixon: A point of order, Mr. Speaker, the House leader in his remarks said that as far as he was concerned this could not be a precedent. Does that make sense to you, sir?

Mr. Speaker: Well, I'm not going to answer that.

Hon. Mr. Welch: I was entitled to my own view.

Mr. Nixon: On the point of order, I would just like to say, sir, that from my point it is a precedent and it should be and it must be, and whatever the House leader of the government says about it does not change that fact. I just wanted to be sure you understood that fact.

Mr. Speaker: I've heard and understood everything, I think—

Hon. Mr. Welch: You have been around here long enough. Was it in the motion?

Mr. Speaker: —and I also recall that there was a suggestion that this particular matter be debated later.

Mr. Breaugh, in the absence of Mr. Lawlor, from the standing administration of justice committee presented the committee's report which was read as follows and adopted:

Your committee requests permission to sit concurrently with the House for its consideration of Bill 97, The Credit Unions Act, 1976.

Hon. Mr. Welch: We will support this, Mr. Speaker.

Mr. Johnson, in the absence of Mr. McNeil, from the standing resources development committee reported the following resolution:

Resolved: That supply in the following amount to defray the expenses of the Resources Development Policy Field be granted Her Majesty for the fiscal year ending March 31, 1977:

Resources Development Policy

Resources Development Policy Programme $3,374,000

Mr. Speaker: Motions.

Introduction of bills.

Hon. Mr. Welch: Mr. Speaker, before the orders of the day I wish to table the answers to questions 65 and 111 standing on the notice paper. (See appendix, page 5061.)

Mr. Speaker: Orders of the day.

FARM INCOME STABILIZATION ACT
(continued)

Resumption of the adjourned debate on the motion for second reading of Bill 131, An Act respecting Farm Income Stabilization.

Hon. Mr. Welch: Mr. Speaker, before we continue this debate, I thought perhaps we would indicate that it's our understanding that we would hope to wind up this bill sometime this evening, with a vote around 10 o'clock.

Mr. Speaker: When we were last speaking on this bill, the member for Durham East had the floor. He may continue.

Mr. Moffatt: Thank you, Mr. Speaker. I wish to take part in this debate, not that I think we will be able to put a great many new facts before the House which were not raised either in the debate last spring or during yesterday's debate, but I do want to draw to the House's attention some significant things that, to my way of thinking, are really important about this particular bill.

The first thing I would like to comment upon is the fact that last year, before the Minister of Agriculture and Food (Mr. W. Newman) was Minister of Agriculture and Food, just shortly after the election, he was attending the world international ploughing match—which, by the way, was in my riding, Mr. Speaker, and in case people are convinced that no members over here represent ridings which have a substantial farm community and are interested in the development of agriculture, I want to put that at rest.

Anyway, the member, who was soon to be minister, was making a lot of noise at that particular time about this whole foolish idea of farm income stabilization as being proposed by the NDP, and particularly the member for York South (Mr. MacDonald), and the foolishness of the plan as it existed in British Columbia at that time, and there was no way, if he had any say in it, that that kind of policy was going to be implemented in the province of Ontario. It would kill agriculture, it would ruin the farm community, it would do everything that the minister believed wrong about the kind of legislation that we have talked about today.

Oddly enough, this complete about-face was brought about shortly after he became Minister of Agriculture and Food, and as a result of the debate last spring, in which his bill at that time was returned to him as being deficient, his stance since then has been one of reluctant compliance with the wishes of this House, reluctance to bring forth the kind of policy which was directed in the reasoned amendment proposed by the member for York South.

Indeed, what ensued was a fiasco where the minister attempted to set up a dialogue with rural Ontario through the aborted telephone network. I attended one of those meetings, the one they held in Markham, and I can tell you quite honestly, Mr. Speaker, that the minister's comments at that point were so garbled and so meaningless to everybody there that the person from the Ministry of Agriculture who was chairing the meeting had to read the prepared text so that we could understand. A translation, if you will, was provided of the minister's comments. That was unfortunate, because that further reduced the minister's credibility.

I think that what is happening is the same kind of thing that's being proposed here. The same sort of political process is taking place as we saw last year around the rent review legislation that was presented. The government presented it reluctantly. The Minister of Housing (Mr. Rhodes) noted at the time that he did not favour the bill and he would do everything he could to get rid of it. He did. He put it in the hands of another minister who now wants to get rid of it.

What's happened is that that legislation which had a good principle, a good intent, has been destroyed. The intent and the philosophy of that legislation has been destroyed by the government's reluctance to accept the process. They have made it as difficult for that legislation to work as they possibly could.

I listened yesterday to the member for Huron-Middlesex (Mr. Riddell) talk about this particular bill and the fact that he has confidence in this government to implement that legislation. I would like to ask him through you, Mr. Speaker, if in fact he does have confidence in this government to run a programme of farm income stabilization, or is he simply trying to get off the hook on this whole thing because he's sick and tired of debating it?

Yesterday the comment was made by those members speaking for the Liberal Party that it would be a good idea if we just got through this debate and got the legislation into place so that the thing can start to work and then we'll see how it works out. I suggest to you, Mr. Speaker, that that's foolishness. That kind of response to this government's legislation will simply let them run around with it and make the legislation not work, as they wish. I'm afraid that we'll have the same fiasco occurring with regard to farm income stabilization as this government has made out of the rent review legislation.

I for one—and I know the members of this party—do not intend that that should happen. We intend to oppose this legislation because we think that the reluctance of the government to bring it in in a proper form in the first place will mean that now they'll be able to say, "Well, we didn't want to do it. It was the House that pushed us to it and, you see, when you let the opposition parties gang up on us this is the kind of bad legislation you get." If they don't want it to work—and the minister has said all along that it won't work—if they don't want it to work, Mr. Speaker, it won't work.

The reason we propose to change the legislation substantially is because we want to write it so tightly that the minister will not be able to avoid the responsibilities as spelled out in the legislation. If the minister gets a chance, he'll do exactly what they've done with rent review and I for one don't want to be a part of that.

I'm interested that the member for Huron-Middlesex in the course of this debate yesterday said that somebody in here didn't know the difference between a cow and a manure spreader. I think it's appropriate that that member should bring the manure spreader into this particular debate.

Mr. Samis: Pitchforked, wasn't it?

Mr. Moffatt: It looks to me as though the people in this House who have traditionally held the farm community in the palm of their hand feel, if a party comes in with some

thoughts on agricultural policy, that unless the member lives in a rural riding and, indeed, has grown up on a farm and is farming today, that that person will not be able to comment sensibly about agriculture. Mr. Speaker, I want to tell the House through you that I feel that I have as much contact with agriculture as any member over there. I have engaged in the business of farming, I have engaged in it at almost every level. I haven't been an auctioneer, Mr. Speaker—

An hon. member: Your talent is spreading.

Mr. Moffatt: —so that precludes that particular stance of the manure spreader. But at some other time, I think that we must get down to the business of recognizing that members in this House, whether they happen to come from an industrial background, trade union, a school, from the legal profession, or from the farm community, that what the people in this House have a stake and an interest in is the good will and the good fortune of this province as a whole. You don't have to be married to one particular part of the economy in order to have an interest in how the rest of the economy works. And I would ask this, Mr. Speaker, that members of the House disregard that kind of comment. I don't think that that adds any credibility to any person. Those people who insist on engaging in that kind of debate are acting in a very irresponsible manner.

[4:15]

Mr. MacDonald: They are revealing their bankruptcy.

Mr. Riddell: Who are you trying to convince—me or the farmers out in the rural communities?

Interjection.

Mr. Riddell: Let the farmers make the decision.

Mr. Samis: I am the farmer—

Mr. Moffatt: I am afraid as well, Mr. Speaker, that the problem—

Mr. Samis: —Jack Riddell says, I am the farmer.

Mr. Riddell: Why don't you fellows hold any rural ridings?

Mr. Wildman: We do.

Mr. Bain: I do. I hold a rural riding.

Mr. Moffatt: Mr. Speaker, it seems to me that people are forgetting that for years we have tried to implement land-use policies. This government has tried to get local municipalities to do land-use planning because they knew it was a hot issue, they didn't want to get blamed for it.

They kept pressuring small communities to implement land-use policies, but at the same time they were getting tremendous pressure from farmers not to engage in land-use planning which would create a hardship for them if they couldn't sell their farms. The reason the farmers wanted to sell their farms was they couldn't make a living at the business of farming.

What we are trying to do, Mr. Speaker, is put this in a total context. You can't have land-use planning which will preserve agricultural land—a policy that this party happens to be committed to—you can't have that kind of policy unless you are prepared to make the business of farming one which will ensure that farmers don't have to sell their land in order to continue to exist.

Anything less than a proper farm income insurance programme which will enable farmers to look forward in the future to the kind of progress that they would expect as citizens of this province, anything less than a total package like that, Mr. Speaker, will not work.

We are not going to be able to put into place the kind of proper facilities and planning for the rural parts of our province unless we are prepared to deal with this question; and you can't deal with it from a position of reluctance, negativism and backward thinking, as the minister has attempted to do now. What we have to do is put together a package. The reasoned amendment as proposed by my colleague the member for York South makes eminent good sense.

I can't understand, Mr. Speaker, how the party over here in third place happens to think that today they can have confidence in this particular government to implement a policy which is going to benefit the people in rural Ontario.

We are asking for changes in the legislation which will make sure that it is not patchwork, that it is going to absorb the effect of variations in the economy beyond the farmers' control, so that those things will be compensated for in some measure, so that the people in rural Ontario will be able to look forward over the next two to three years to continuing the business of farming rather than having to go into the business of real estate in order to live. Thank you, Mr. Speaker.

Mr. McKessock: As a member of the Legislature who lives on the farm and actively carries out a 100 cow-beef operation at home, it is a privilege for me to say a few words here today on the farm bill. I hesitate though to say "carry out" a beef operation. It comes easier for me to say "support" a beef operation the way the prices are these days.

I was talking to my neighbour the other day about the poor beef prices and he said that he thought he could keep himself if he didn't have to keep the cows.

Mr. Riddell: That's right.

Mr. McKessock: But I believe that Bill 131 is a start, and it probably won't do anybody any harm.

Mr. Bain: It won't do anybody any good.

Mr. McKessock: It probably won't do anybody too much good.

Mr. Samis: Therefore you will vote against it?

Mr. McKessock: If it is used in the context of what the farmers have been asking for the last several years—that is enabling legislation—then it's a start.

It is legislation to allow price protection for all farm products up to a level of 95 per cent average of the last five years, with adjustments for cost—except for the 15 or 20 per cent of the farm products that were covered in the first Bill 96, mostly vegetables, that the government brought in. Now they have decided to cover only this 15 or 20 per cent farm products at five per cent, hoping the federal government will pick up the difference to 90 per cent. Mr. Whelan has indicated they will, if a need arises and an application is made to have these designated commodities to come under the federal stabilization programme.

Mr. Wildman: Why won't he do anything about beef?

Mr. McKessock: We believe the federal minister will live up to this commitment but if he doesn't we would certainly want this bill amended to cover the 15 or 20 per cent of farm products to bring them up to the 95 per cent also.

Mr. Samis: Blind faith.

Mr. Wildman: It didn't designate beef.

Mr. McKessock: Beef is already under the federal programme.

Mr. Riddell: Beef is already covered. Why don't you take a look at it?

Mr. McKessock: There's one of those farmers over there speaking up again.

Mr. Samis: They grow them differently in the north.

Mr. Deputy Speaker: Can we have some order, please? The hon. member for Grey has the floor; let him proceed uninterrupted.

Mr. McKessock: The trouble with the bill is it is not enough to hold the small family farm. It is going to do more for the big guy who can invest a huge amount of money and feel that the worst he can do is break even.

The fellow who invests large sums has usually got enough backing or credit to feed his family for a year or so until enough small farmers go out of business or go broke for the price to rise. He is still in there to reap the profits when the price returns.

We are really supporting the larger investors. The small family farm is a unit we shouldn't let go. He doesn't go out of business because he's inefficient but because he cannot afford to break even. He hasn't got the reserves or the credits to ride out the break-even or loss years.

The family farmer doesn't want a lot of money nor did he ever ask for it. He is the guy who has been providing us with cheap food for the last 100 years. He will work for $1 an hour if he can meet his expenses and mortgage payments and get enough to eat and his family will help him.

Last night I heard one of the watchmen out in the hall say to one of his fellow workers, "Don't talk to me, I'm on my break." This statement seemed a bit strange to me, coming from a family farm, because that was the time we got our talking done, if we ever did get a break.

The family farm is disappearing very fast because expenses now, due to inflation, are too high for him to ride out the low price periods and he has no reserves and he can't borrow money at a decent interest rate to allow him to stay in. I believe we need to supplement this plan in this area to help hold the family farm.

The government should provide loans to efficient family farm units with investments of $150,000 or less, up to $20,000 repayable over 20 years at five per cent. Over the last several months I have had a great number of farmers who are in trouble. It is the high interest rate and the price of the product that is killing them.

The bringing in of this bill emphasizes the need and the importance of seeing that agriculture remains an important industry in Ontario. It appears that the government is flip-flopping now on agriculture and the use of agricultural land.

An hon. member: Who is flip-flopping?

Mr. McKessock: A few months ago the Premier shouted across the floor that we would lose 20 seats in the next election if we froze agricultural lands. Now the Tories have had one of their members bring in a private member's bill which would do just that.

Mr. Wildman: Now they have had one.

Mr. Eakins: They want him to test the water.

Mr. McKessock: They want him to test the water, that's right, and then it doesn't look so much like a flip-flop. I think they are beginning to realize that true farmers are really in favour of saving agricultural land and it is the developer and speculator who are not.

If the farmer was receiving a decent income and a return on his investment there would be no problem of retaining agricultural land because it would be passed from one generation to the next and it wouldn't be for sale. With the continuous supply of farm products which creates an unstable, unreliable, inadequate income for most farm commodities there is no incentive to be in favour of holding agricultural lands if you are a farmer. It appears that if we had less of it we might receive a decent price for our product.

The NDP wonders why this bill doesn't pay a profit. If it did, of course, it would create a surplus and there has been no provision in this bill for supply management.

We know that farm products must pay a profit sometime to enable farmers to stay in business but when they do pay a profit it is inevitable that a surplus will follow—that is, if we haven't got controlled production. When a surplus arises losses follow and some farmers must go out of business to allow the surplus to drop back and the prices to rise again.

We farmers spend a lot of time saying we are free enterprisers. Some feel that controlled production takes us out of this category. We should ask those who have supply management now to set their own price and see what they say. You will find that most of them will say they are more free than they have even been before.

First, they are free to produce without fear of over-production. Second, they are free to be efficient and the more efficient they are, the more money they make. Third, they are free to make a year's projection in cash flow without fear of a sudden drop in price within the year. Fourth, they are free to borrow money without the bank manager saying, "What if the price should drop?" Fifth, they are free to plan for several years instead of six months.

Mr. McClellan: Are you listening, Jack?

Mr. Riddell: But we don't want supply management under government controls. That's what you guys want.

Interjections.

Mr. Bain: No, we do not.

Mr. Deputy Speaker: Will the member for Timiskaming (Mr. Bain) come to order? He will have an opportunity to speak later in the debate.

Mr. McKessock: Sixth, they are free to make a planned expansion based on quota rather than to expand for an unknown market.

Even though the milk producers had controlled production imposed on them by this government across the way quite a few years back, I don't think it has what it takes to do anything like that at this stage nor do I think it should be imposed upon the farmers. Producers of other commodities, such as broilers, turkeys and eggs, brought in their own controlled production and I think this is the way it should be. The legislation is in place for farm commodities producers to set up their own marketing boards, to control production and to set their prices—if they want to use it.

There is one question which bothers me and that is how many farmers want controlled production of the products which are left and aren't controlled? A lot of vocal farmers speak out against it yet I believe a large number are in favour of it. The government could help out here and do away with this guessing, first by licensing farmers so that a systematic vote could be taken to see for sure where the majority of the farmers stand. This should be done provincially.

Mr. Wildman: That's real freedom.

Mr. McKessock: The minister's system now of communicating with farmers through some long-distance static telephone hook-up is dreadfully inadequate. By the way, how much did that cost the taxpayers of Ontario?

Hon. W. Newman: Not enough. That's why it wasn't so good.

Mr. Bain: Maybe it was the content.

Mr. McKessock: I know it cost the minister a lot of votes because the farmers were thoroughly disgusted with it. I will say that your staff person, Dan Rolls, from Markdale, did a tremendous job of looking after the meeting in Flesherton. His voice came through loud and clear when he read the minister's speech to us after we couldn't make it out on the telephone.

Mr. Speaker, I appreciated the chance to say a few words on this bill. I will be supporting it with a few changes, the main change being to allow the three farm organizations to appoint directly to the commission and not have the commission appointed by the government. I believe the bill is a start. This is something we haven't been able to get although the farmers started trying several years ago.

Mr. Deputy Speaker: Does any other member wish to get involved?

Mr. Johnson: Mr. Speaker, I am pleased to have this opportunity to speak on the Farm Income Stabilization bill. This is a very important measure for the province's farmers and especially for my own riding of Wellington-Dufferin-Peel which, as you know, is primarily agricultural. While I have not had the advantage, as some of the members in the House have had, of being a farmer, I have worked with them for the past quarter of a century.

Mr. McClellan: You are not a farmer.

Mr. Johnson: The purpose of this second reading debate is to discuss the principles of the proposed legislation. I must say at the outset that I am in full agreement with its basic principles. I also feel that the provisions of the current bill are well suited to putting those principles effectively into practice, but let us look at those principles.

[4:30]

The basic principle is to provide a measure of income stabilization for our farmers, and I doubt if anyone can object to that. I think that we all realize that farming is more than just an occupation or a way of earning a living. It is a way of life that makes special demands on people and gives them important rewards, only some of which are financial.

But all too often the financial rewards are much too small and I think we sometimes lose sight of the fact that just because farming is a way of life, farmers have to earn a decent income just like anyone else. Not only a decent income, but a reasonably stable income. Alternation of boom and bust may average out to reasonable levels, but surely it is better to have a basic income floor so that the gains from one good year won't be wiped out by a disastrous year.

Even with things like crop insurance, farmers face enough uncertainty in their day to day operations and also in their long-term perspectives without having to worry about making ends meet. This bill should not only improve the farmer's financial position, but it will also reduce uncertainties surrounding the operation of a farm and thus will lead to better long-range planning. It is also important to note that the bill will not interfere with the market mechanism, since it provides a floor for farm income, but not a ceiling.

So far I have been talking about the need for farm income stabilization in the abstract, but I may say that for the farmers in my riding this is a very real and very pressing problem. As I have said the backbone of Wellington-Dufferin-Peel is agriculture, and the basis of that agriculture is beef production and dairy operations. Farmers in both these industries have been extremely hard hit over the past while. The beef producers have suffered through years of low prices and in many cases it is only dedication and love of farming that have kept people from giving the whole thing up, as they would surely do if they based their decisions on purely economic grounds.

Mr. Nixon: Is that what it is? I haven't been able to decide why I don't give it up.

Mr. Johnson: Also dairy farmers have had a bad time of it lately. If they are not hit with low prices they are stymied by the quota system. It is neither fair nor is it in anyone's best interest that in these times, when everyone is wondering whether his next salary increase will be eight per cent or 12 per cent or whatever, the farmer should have to take what amounts to a cut in pay.

Prices that the farmers have been getting have been rising very slowly, if at all. At the same time virtually all the costs of running a farm have risen almost out of sight. Machinery costs have skyrocketed. Prices have doubled in the last five years. Transportation costs are up. There is talk of a $4 an hour minimum wage, and farmers just can't afford that.

I would also like to point out that ensuring decent returns to the farmers is not only a basic matter of economic justice, but it is

important for the very future of the agriculture industry, for the urban centres and for the farming communities. If we are to continue to attract hardworking, enterprising young farmers we will have to see to it that the financial rewards are there, and that they have a degree of certainty.

The huge capital costs, the amount of work involved, the difficulty in getting help at affordable prices are only some of the difficulties encountered by young farmers. If they also have to face the uncertainty of not knowing if they will be able to get fair, stable prices for their product, then how can we expect them to even think about going into farming and making it their life's work? If we expect the agriculture industry to survive we will have to ensure that sheer hard work is rewarded. This makes some form of income stabilization absolutely essential. In order to get a comprehensive programme, Mr. Speaker, the federal government will have to get further involved.

The Minister of Agriculture and Food has repeatedly pointed out that a truly effective scheme would have to be national in scope, and therefore federal in jurisdiction. The federal government is the only one which can effectively control needless cut-throat competition among provinces.

More important, only the federal government can negotiate international agreements to protect our farmers from massive imports of underpriced agricultural products.

Until our friends in Ottawa see the light, however, we at the provincial level will have to take up the slack. At the same time, let us remember that the bill now before us is designed to complement existing federal programmes and could easily be fitted into an expanded federal programme.

So far, Mr. Speaker, I've been dealing with the reasons why we need farm income stabilization, but we must be careful not to let this basically sound idea be taken too far and create a whole new set of problems. The way in which the bill is set out shows that the government is aware of this and has carefully avoided incorporating into the legislation the principle of incentive pricing. Nobody, least of all the farmers, wants that.

What we have to avoid at all costs are incentives to overproduction, which will hurt the industry, and in the long run will also hurt the consumer. Incentives of this nature would bring into the agriculture industry people who really do not know what they are doing and whose lack of experience would hurt not only themselves but other farmers as well.

More important than this, however, the possibility of overproduction brings with it the threat of supply management, of quotas, of farming by directive of government bureaucrats; in other words, socialized agriculture.

Mr. McClellan: Oh, that's done it! The Liberals want a licence for farmers.

Mr. Johnson: Most of the farmers I know are a pretty independent lot. I suppose you have to be to make a go at farming at all. They are quite willing, provided they are protected from unfair foreign competition, to put their hard work and know-how on the line and sell for the price the market will give them, they have faith in the market. They may be disappointed and hurt by low prices, but I think they much prefer this to an unwieldy quota system, which would seriously reduce the efficiency of the market and of the industry as a whole. If there is one thing to be said about farmers it is that they want to get on with the business of farming with as little government interference as possible.

I think the bill before us is an ideal vehicle for ensuring the farmers receive an adequate return while not having their relationship with the market disturbed. It is for this same reason that I'm pleased that the farm income stabilization programme will be on a voluntary and contributory basis. If farmers do not want to join they should not be forced to do so.

I'm also pleased to see that the administrative setup in the bill would be mainly composed of farmers' representatives, rather than Queen's Park bureaucrats, who may be well-meaning but who do not have the same feel for the problem as the farmers.

This brings me to my last point, Mr. Speaker. The government has paid very close attention to the suggestions of the farmers and the farm groups. All along the line there's been close consultation so that the government would know where the farming communities stood on the issue and what farmers themselves want. Of course, this does not necessarily mean that the government accepted every view put forward by the farmers' representatives. The government is charged with the responsibility of setting policy for the entire province and everyone in it, and therefore must make decisions that will be in the best interest of Ontario as a whole.

Mr. Warner: When does that start?

Mr. Johnson: Mr. Speaker, on a major issue such as we have before us, it is impossible to please everyone—

Mr. Bain: It does not please anyone.

Mr. Johnson: —but I submit that this bill meets—and meets very effectively—a very real need in the Ontario farming community. It will certainly be of great benefit to the farmers in my riding of Wellington-Dufferin-Peel.

Mr. Wildman: I rise to participate in this debate and as was the previous speaker, I will be quite honest and say that I'm not a farmer and that I don't pretend to be an expert on agriculture. Although I grew up in a farming community and I represent a rural riding which has many farmers and I have relatives and friends who are still in farming and actively farming today, I myself did not grow up on a farm and am not a farmer. However, I want to participate in this debate because I think that farming is something we should be preserving in this province and I'm afraid that unless some changes are made in the present bill, we won't really be doing that.

For that reason, I support the reasoned amendment because I don't really feel that the reworked legislation proposed by the minister will really do enough to make farming in Ontario an attractive occupation for the rural people of this province. Rural people want to be farmers, but as the previous member said, if they were just looking at the proposition on the basis of economics, many of them would not be. As a result of that, I think that we should be doing something in this Legislature to ensure that farming will, indeed, be an attractive occupation and one that will attract young people to agriculture.

I think both farmers and urban residents are becoming more and more aware of the problems facing the producers of our food in this province. Farmers have always had to endure the roller-coaster, boom-bust cycles in incomes over the years. It's not new. But the most recent changes in costs such as manufacturing, seed, feed, fertilizer, and so on, the exigencies of weather and climate, which have always been a problem for farmers, and the recent rises and falls in market prices have made farming not only a challenging profession, which it always has been, but one that is very uncertain and exceedingly risky.

The hard work and initiative of farm people has always been the backbone of the economy in society of Ontario. Farm people have always been neighbourly and self-sacrificing in co-operating with one another to help each other in times of need and to develop their communities. But over the last few years the serious growth of inflation has made it very difficult for young farmers to become established without going very deeply into debt and risking bankruptcy and ruin as a result of any natural disaster such as a serious storm just before harvest, flooding, or drought, or for that matter, any dramatic changes in the market prices.

The minister knows, after touring the north this summer, that the farmers in the north, certainly in the nortwest and also in my area—

Mr. Bain: Didn't do anything for them, though.

Mr. Wildman: —have faced a serious drought problem and there have been some transport subsidies suggested and instituted to help them, but these sort of short-term things don't really solve the whole overall hill and trough process of farm income.

Many hardworking young producers in my riding have had to take other jobs in recent years to keep up their payments on their farm. In other words, they make their money off the farm and they spend it on the farm; this has been a problem for farmers too long in this province. Working full-time at another job and working part-time on the farm, makes it almost impossible, no matter how much hard work goes into it, for a producer to become and to make a go of it as a full-time producer in agriculture in the province.

[4:45]

Increasing costs and poor prices haven't been alleviated by the myriad of ad hoc bandage-type government subsidy programmes that have been built up over the years. As a result of this, not only the young farmer but the long established farm people, often find themselves in the position of having to sell their property if they are going to realize a decent return on their investment and their many years of labour. Low returns make it very difficult for farm people to provide funds for their retirement today, unless they sell their farms. Also because of land speculation over the last few years, the price that the property owner can obtain from selling his farm often makes it very difficult for another farmer to purchase the land or for a young man who wants to go into farming to purchase that land and keep it in production, especially if the land is anywhere near a major centre, where speculators can buy up the land and perhaps rent it out to keep it in farming so they can get the tax exemption for a few years until it becomes profitable for them to build houses on it or whatever, and the land goes out of production. It's very difficult for farmers to compete with the kind of money these developers have.

When land in some areas is priced anywhere from $1,000 an acre and over perhaps even up to $3,000 an acre, that's certainly not it's agricultural value. That's the value to a speculator. The agricultural value would be more in the range of $300 to $500. When a farmer is faced with those kinds of prices, he usually can't afford to buy the farm or, if he does, he's going to have to go so far into debt that it's going to be an awful long time before he makes a go of it. As a result, many farmers, younger ones and older ones, are leaving agriculture. This has happened a great deal in my riding in the last few years, especially with the drastic drop in beef prices. I realize that the federal government has done something in beef, but it hasn't designated the cow-calf operation. Since most of the producers in my riding are cow-calf producers and though many of them have enrolled in the provincial plan, with the support price as low as it is, they still can't make a go of it. Many of them are leaving agriculture altogether.

It's to retard this trend that we've introduced the reasoned amendment, to ensure that commodity groups and farmers who wish to participate are protected in terms of current costs by providing a comprehensive farm income insurance plan. After a lot of promises and stalling, the government finally introduced a so-called farm income stabilization bill last spring, but we all know what happened with that. It covered less than 30 per cent of farm production in Ontario and the bill was overwhelmingly rejected by Ontario's major farm organization. As a result, the Legislature directed the government to redesign the bill to incorporate the very principles enunciatad in the reasoned amendment proposed by the member for York South. It received the support of both opposition parties last spring. We gave the minister a second chance to redraw the bill, to go back and look at what should be done and to bring the bill back for passage this fall. Unfortunately, the minister doesn't seem to have learned from the reaction last spring. Perhaps he's a slow learner.

The Legislature last spring requested that the bill be made comprehensive, voluntary and contributory. The bill has been made voluntary and contributory, but I would debate the part of it being comprehensive. Also, we requested the minister engage in meaningful negotiations with various commodity groups to reach agreed-upon support prices for various commodities based upon cost. By that, I believe we meant current costs, not costs over the last five years. With the present rates of inflation, the costs of machinery parts, energy, feed and so on this year may not have any relation at all or very little relation to the costs over the last five years.

Instead of doing this, the minister went around this summer trying to convince farmers that what he had introduced in the spring was good and was the right thing. When that didn't work he grudgingly decided that he would move to some kind of legislation. But he still didn't believe in the principles of the legislation. So he had to get his ministry people to run round and figure out how they could introduce a bill that looked as if it met the instructions of the Legislature but wasn't going to cost the kind of money that a real farm income insurance plan would cost.

So they came up with the solution that whatever commodities were designated would receive 95 per cent at whatever time the federal government designated it for 90 per cent support; that is they would piggyback their five per cent on top of that.

I made an interjection earlier regarding beef. Perhaps I was wrong but I know that in my riding certainly, the cow-calf producers are not in a situation of federal designation. So as a result of that, if this was the case, in spite of the drastically low prices these producers are getting at the market they would only get five per cent if they were registered in this plan. That's ridiculous.

Talking about low prices for cow-calf producers: The top price at the Thessalon sale, the Algoma sale this year, was 35 cents a pound; $35 a hundredweight as a top price. The lowest prices were in the ranges of 17 and 18 cents a pound, which has no relationship whatsoever to the cost of production. If the present cow-calf plan guarantees 51 cents it's going to be a big payout for the government sure, but that is still going to be low because it costs at least 60 some cents, and perhaps over 70 cents, to produce each pound of beef.

So offering five per cent of costs over the last five years isn't really going to help those farmers very much and you are going to have more and more of them going out of production. More and more of them are just saying: "All right, we are going to sell off all our beef this year and are going to collect from the government under their plan. And then we are not going to go back into it anymore; we'll produce enough beef for ourselves and perhaps a few people, friends we can sell to."

Maybe that's the purpose. Maybe they want the small operator who is in trouble to go out of production and keep the bigger operator in production. Maybe that's what they want, but I don't think that's good for agriculture and I don't think it's good for the farm com-

munities in this province. That is not how agriculture developed in this province, I don't think that is where we should be heading.

I agree with the member who stated that we should be doing all we can to preserve the family farm as a unit of production in this province. Not only is it good for the economy of this province but it is also good for the society of this province. It would be a tragedy to see that way of life come to an end.

Anyone on the Liberal side who argues that we can depend on the federal minister to designate, and therefore the commodity groups that are participating could get the 95 per cent are ignoring the cow-calf situation; and I don't think we can.

More important than that, is the question of cost. We can't accept a bill that is going to have cost based on an average over the last five years. We've got to have a plan that deals with current costs if it isn't to be just a stop-loss approach. Stop-loss won't keep people in production. All it will do is let people recover most of their losses before they go out of production.

I seriously hope that the principles of the reasoned amendment will be accepted by this House so that we can stop the serious migration of people from the farm and preserve what I believe is one of the noblest professions in our society.

The member for Durham West (Mr. Godfrey) talked about farmland protection, and I want to indicate that our caucus certainly supports the recently published position of the Ontario Institute of Agrologists, that the government should be moving much more rapidly to ensure that food lands in this province are protected. But they can't do that in a serious way unless they are also going to deal in a serious way with farm incomes.

Mr. McClellan: Yes, get serious.

Mr. Wildman: The two have got to be completed together.

Mr. Warner: Should be two bills here together.

Mr. Wildman: A bill that prevents bankruptcy on the farm doesn't make farming attractive for rural use.

I call upon the minister to accept the amendment and to redraw this bill finally so that it incorporates the principles that we asked for last spring; so that we produce a truly comprehensive farm income insurance plan that will keep the young farmers in production and make it possible for older farmers to get a fair return on their management, investment and labour. Only by doing that will we be adjusting the situation in agriculture in this province to ensure that it prospers instead of just survives.

Mr. Spence: It's a pleasure for me to take part in this debate on Bill 131, the farm income stabilization bill, which has been discussed considerably since last spring. I must say I don't want to re-echo the remarks of the critic for the Liberal Party.

Mr. Bain: I wouldn't want to either.

Mr. Acting Speaker: Order, please.

Mr. Spence: He has outlined very well the stand of this party. Bill 96 didn't satisfy the farmers across this province, and I was pleased to see the minister withdraw that bill. It wasn't a bill that would do the work that the farmers expected. Bill 131 is an improvement over Bill 96. The minister estimated Bill 96 would cost the province of Ontario $7 million, while Bill 131 will cost the government $60 million to $70 million.

I was pleased to read in this bill that it's voluntary and it's contributory. The farmers of this province, as we've heard so often, are free enterprisers.

Mr. Philip: They are going bankrupt in the free enterprise system.

Mr. Spence: I think the agriculture industry across this province is about the only industry that is a free enterprise industry. Because it has to work against all the other industries in this province that aren't free enterprise industries, the agriculture industry faces a very serious disadvantage.

As we all know, the prices of agriculture inputs required to produce a commodity have been skyrocketing over the last number of years. I think that Bill 131, while it has a good framework, should be modified and changed in a number of places. If it is changed or amended, this bill will work to the great advantage of the agriculture industry across this province.

I was here in this House when the crop insurance bill was brought in; at that time the government named a select committee on corp insurance and I was named to that select committee. We travelled to different places across this province, but I must say the farmers weren't interested whatsoever. At the meetings we were going to hold at different places we had to coax farmers to come and learn about crop insurance and to bring up some points that would improve crop insurance. But the government amended the crop insurance plan across this province.

[5:00]

Today I hear very little complaint from the farmers on crop insurance. After talking to the federal Minister of Agriculture, the Hon. Gene Whelan—whose word is good no matter where he has been across Canada—I think this bill can be amended so that it will be a very good step toward assisting the agriculture industry across this province.

I attended the meeting on food that the minister held in Ridgetown at the agricultural college. We heard him speak over the phone that night. I couldn't understand it or be sure that it was the minister, but nevertheless—

Hon. W. Newman: I guess we'd better have a royal commission on the Bell Telephone Company.

Mr. Spence: That's right. Anyway I was glad it was him, even though I could hardly understand a word he spoke. However—

Mr. Nixon: Of course. We can't either.

Mr. Samis: You should be used to that by now, Jack.

Mr. Spence: —at that meeting there weren't too many farmers in attendance but there were five members of the Ontario Legislature, including my colleague from Windsor-Walkerville (Mr. Newman)—not the honourable but—

Mr. Nixon: Soon to be honourable.

Mr. Spence: But he will be, in the not-too-distant future—the member for Essex South (Mr. Mancini), the member for Essex North (Mr. Ruston), and myself. We listened with great interest. What I heard that evening and on a number of other occasions was that the agricultural industry is a free enterprise industry, and farmers don't want to stray from that sphere. I must say the farmers at that meeting left the impression they didn't want any controls to tell them what they could grow and what they couldn't grow. I am in favour of the principle of this bill and I think it can be improved and changed so that it will work for the benefit of the agricultural industry.

As we all know, the agricultural industry is of tremendous importance to any country and to this country of Canada. Food is the most important product that we produce. Practically 50 per cent of our population earn their livelihood from food one way or another—processing, packaging, marketing or selling agricultural products. If a country hasn't got a sufficient supply of food, there is not too much future in it.

I would like to see the minister amend this bill in a certain way in certain places. It then could be a very good and important bill for the agricultural industry, so I ask the minister to give every consideration to the changes. We have reached the point where there is very little profit left in producing a commodity on the farm today. We do need something.

I think if the minister makes changes in a number of places in this bill, the farmers will do the same thing with this bill as they did with crop insurance. They took no notice of the crop insurance bill for the first few years, but with changes and improvements in the bill—I talked to a farmer and showed him this Bill 131. After looking it over he said to me that he would still stay with crop insurance. I want to know if, when the minister replies to all the speeches that have been made, he could tell us if crop insurance will still be available to the farmers if they don't join this voluntary contributory plan. I think if we amend this bill it can be made workable and it will be of great benefit to the agriculture industry.

I am one now who believes that we are facing surpluses—in wheat, right at the present time, we have practically reached a saturation point. If members looked at the elevators across this province in the last month and a half, I am telling them we have come practically to the point of saturation or to overproduction of corn. We can't find markets for it. Cattle and hogs are also on the verge of overproduction. If my advice is any good to the minister I would say change this bill in certain places and amend it in others, I would say that this will be a boon and a step forward. I can't go along with the asphalt farmers to my right because they want to put on controls. They want production controls—

Mr. Samis: We have listened to you.

Mr. Spence: —and I will tell them this—we can't tell the rural area farmers what they can grow and what they can't grow on their own farms. They are free enterprisers. If the NDP members do it, they won't be in this House very long.

Mr. Eakins: That is good news.

Mr. Spence: Those are my remarks. My colleagues have outlined our stand. I feel we shouldn't defeat this bill. I don't think we should force an election on the province of Ontario on Bill 131. I think I have confidence in the Minister of Agriculture and

Food here in the province and certainly I have confidence in the federal Minister of Agriculture, the Hon. Mr. Whelan, because what he has said in the past he has lived up to.

Mr. Samis: Before I start having to withstand epithets from my left about being an asphalt farmer I would like to explain to my colleagues to the left—I listened very attentively to the member for Kent-Elgin—that I prefer the term urban farmer or small garden farmer or small town farmer, rather than asphalt farmer. I am not a lover of asphalt particularly. I think it is a miserable crop and I would like to see less of it, not more of it, in Ontario.

Mr. Warner: Talk to them.

Mr. Nixon: Overproduction.

Mr. Samis: I must say that I listened attentively to my colleague from Kent-Elgin. I wondered if I wasn't living in Arizona in 1952, listening to Barry Goldwater's speech to a group of sand farmers south of Phoenix; or with a group of grape growers in southern California listening to Ronnie Reagan rev up about the great merits of free enterprise. It really makes me wonder.

I don't claim to be nearly as knowledgeable about agriculture as those who are actively engaged in it. How many on the other side are actively engaged in a full-time way? I really wonder.

Mr. Nixon: We think we are listening to a collectivist in the Ukraine.

Mr. Samis: Oh, never.

Mr. Warner: He read all your speeches.

Mr. Samis: But I have looked at some statistics in my particular—

Mr. Nixon: A collectivist in Italy.

Mr. Samis: —and even though I may not be a farmer I do think the statistics speak for themselves regardless of what one's occupation is. If I look at the county of Stormont, for example, from 1966 to 1975, I see a 38.9 per cent decline in the number of farms. I see a 51.6 per cent decline in the number of people on farms. If I look just east of my particular riding to the riding now represented by my colleague from Glengarry (Mr. Villeneuve), I see the number of farms in that particular county down by 37.8 per cent; I see the farm population from 1966 to 1975 down by 45.8 per cent. If I look at the county immediately west of my particular riding, the county of Dundas, I see the number of farms down 31.9 per cent, and the farm population down 42.6 per cent.

Mr. McClellan: Free enterprise.

Mr. Samis: I did have some farmers in the former riding of Stormont and I do still have some farmers in the township of Cornwall who are old-time farmers, mainly dairy farmers, so I am not totally out of contact with the farming community. When I see statistics like that and then I hear this recital of the incantation of the mythology of free enterprise, I ask myself—is it working for the farm people? If they want to be free enterprisers to the extent suggested, where are the results of the old system? The few farmers that I do talk to don't seem to be too happy with the system; they're not nearly as enchanted with the mythology as suggested by some of the members on my left. And I know that the Minister of Agriculture and Food, whom I want to compliment this afternoon for his decorum, his calmness, his tranquility—it's much appreciated, and I'll do nothing to upset it because I think this is a considerable improvement.

Mr. Nixon: He took a handful of Valium for lunch.

Mr. Samis: But I do know that the minister does receive valuable advice, information and insight into the plight of the farmers in eastern Ontario, especially the dairy farmers, from my good friend and colleague from Stormont-Glengarry-Dundas, whom I converse with on a regular basis, whom I find illuminating, sincere and concerned about the plight of the farmers. And when we talk about—

Mr. Nixon: Don't overdo it.

Mr. Samis: —our common interests in agriculture in eastern Ontario, we don't talk about "They're going to be free enterprisers. They're going to survive to the end and be driven off the farm, but they'll go down as free enterprisers." No, that's not what the farmer wants. He wants results. He wants to stay on the farm. He's not so interested in the mythology, whether you call it free enterprise or something else, he just wants to make a living, stay on the farm and get a decent return for his income. And I'm sure my colleague from Stormont-Glengarry-Dundas is in full agreement with that.

Interjections.

Mr. Samis: You know, I think we should take ideology out of this, and sometimes, there's no question that our party has been guilty of that as much as any other party in

other domains. I willingly accept that criticism. I think the main concern should be results and protection for the farmers.

Sometimes my colleagues on the left like to really bring up this mythology about free enterprise, but I don't hear them talk about some of the really, I think, damaging things—if you really want to talk about free enterprise—that are ruining the concept of free enterprise. Their federal leader, for example, has openly said the concept of the free market has now gone into the land of the dodo bird.

Mr. Nixon: No, he never said that. Oh, boy!

Interjections.

Mr. Warner: And he can identify with dodo birds.

Mr. Samis: If we look at the whole idea we all know that tax incentives, quotas, imports, tax writeoffs—in fact, we saw the Treasurer (Mr. McKeough) this week give another goody to his corporate friends—obviously that's not free enterprise in the truest sense. So that's dead at the corporate level, and I would suggest if you look at the way things are marketed, processed, merchandised and the growth of corporate farming, we have to face the realities. The old myth of the family farm—

Mr. Nixon: That is a myth is it?

Mr. Samis: —which has control over the whole process of production, processing, distribution and merchandising, to the average farmer is as meaningful today as the member for Prince Edward-Lennox (Mr. Taylor) trying to start up an automobile company in eastern Ontario and taking on General Motors, Ford or American Motors or Chrysler—and the member knows it.

Hon. Mr. Taylor: Keep talking, keep talking.

Mr. Warner: It's a shame you woke him up.

Mr. Samis: We're always glad to have the member for Prince Edward-Lennox here after his announcement of Tuesday.

Hon. Mr. Taylor: Thank you.

Mr. Samis: I want to compliment the member of my party who has led the battle in this Legislature and out for a comprehensive, meaningful farm income protection plan, the member for York South (Mr. MacDonald). I know he's frequently called the asphalt farmer from York South, but the essential thing is, Mr. Speaker—

Mr. Nixon: Where is he today?

Mr. Samis: —he has been out on the stump talking to farmers, talking to New Democrats—

Hon. Mr. Taylor: On the stump?

Mr. Acting Speaker: Order, please. Allow the hon. member for Cornwall to continue.

Mr. Nixon: I would have thought the member for York South would be here today for this debate.

Mr. Samis: They're getting unruly, aren't they, Mr. Speaker?

Let me say that this so-called asphalt member has been out there fighting, speaking, persuading, cajoling and doing everything he can—as a non-rural member, admittedly—to get something that would help the family farm, that would help the small producer, that would help the farmers of Ontario stay in business. That's been his contribution in this province, and he deserves an awful lot of credit and recognition for those efforts.

Mr. Good: He has been intruding.

Mr. Samis: His record is second to none in this province when it comes to fighting for farmers, whether he comes from Toronto, Elgin or you name it. His record speaks for itself and I'm proud to be associated with that man in this party.

Mr. Riddell: Trying to persuade the farmers to adopt your philosophy, which they won't do.

Mr. Samis: Now I hear the member—

Interjection.

Mr. Riddell: They don't want socialist farming, they don't want state control.

Mr. Warner: Why don't you go and ask them?

Mr. Acting Speaker: Order, please.

Mr. Samis: Mr. Speaker, I would like to talk about the bill, if you don't mind.

[5:15]

Mr. Acting Speaker: Order, please. The hon. member will continue debating the principle of this bill.

Mr. Good: That will be a change.

Mr. Samis: I contrast the record of the member for York South with this Minister of Agriculture and Food in terms of this bill. Although I've only been here two years, I do recall initial discussion of a full farm-income stabilization plan. In the last year the reaction of this particular minister was that he either pooh-poohed it or begrudged it. He said it was unworkable and all sorts of things like that. There was no real support for the concept of the plan as espoused by the member for York South.

Then we had an amazing event about 14 months ago. It was something called minority government. This minister had to swallow a fair amount and obviously brought in a bill last spring supposedly to placate both the parties on this side who were demanding legislation to this effect. But it was obvious that it wasn't worth the paper it was written on and the farmers saw that as well as the members of this House.

Stage three was back to the drawing board. Everybody obviously wanted to do something to avoid an election, so we had the great consultation process.

Hon. W. Newman: You try to improve it.

Mr. Warner: You were doing well. Don't spoil it.

Mr. Acting Speaker: Order, please. The hon. member will continue.

Mr. Samis: I had the pleasure of hearing the minister in a very tranquil, relatively conversational, comprehensible tone in the Kemptville meeting, in the series of meetings that were called.

Hon. W. Newman: You were there and you understood them?

Mr. Samis: I was there. I actually understood the minister and half the people in our audience—

Mr. Bain: You were bored though.

Mr. Samis: —did understand the minister. The thing that struck me about that meeting was when the ag rep got up to explain what the minister had said to try to get it into language that they would understand, they'd keep asking, "How does it affect us?" They went over the things that would be covered under that proposad plan and it suddenly dawned on all of them that nothing they do is really going to be covered by this plan. They realized this plan really doesn't do anything for them and is next to worthless. I'm sure these weren't state collectivist farmers and they didn't want any great form of collective society. They just said: "This plan ain't worth a dime. Send it back. Improve it." These were common-sense farmers in eastern Ontario.

Here we are at the fourth stage. Now we have this revised bill. In some ways, obviously, the minister has learned his lessons from last spring. But the thing I noticed again, if one looks at the original concept of the farm income protection plan, is that this minister has again watered it down and, even worse than that in some ways, I suppose, he's tied it to the federal plan. I find it rather interesting, after all the criticisms in the past 14 months or so that this minister has made in this House of his federal colleague along with the rest of the front bench of the federal government—

Hon. W. Newman: You certainly haven't been in the House very often then.

Mr. Warner: Don't lose control.

Mr. Samis: —of all the things he's blamed them for, all of a sudden now he switches this plan to his great and good friend in Ottawa, the Hon. Gene Whelan. It just amazes me how, when they're in trouble, they go to the big daddy in Ottawa, either to use him as a whipping boy or an out.

Mr. Acting Speaker: Order, please. Perhaps we could return to the principle of this bill.

Mr. Samis: I'm speaking to the principle of this bill, Mr. Speaker, the principle that this bill has to be tied to a federal plan. I sometimes chuckle when I hear that this is the same minister, who, now we're depending on for the principle of this bill to be implemented who was out west, I think last week, lecturing the consumers and the journalists of the west about the innate and consummate relationship between beef consumption and human ferocity and human virility.

Mr. Nixon: Virility?

Mr. Samis: This is the same minister I understand my colleagues on the left are putting their faith in on the basis of a verbal agreement. They will accept the principle and the implementation of this plan because of a promise they've got from this same minister. I wonder if the farmers of Ontario would buy that kind of promise if they were given it by that same minister.

Mr. Riddell: They think he's been the best minister that's ever been in Ottawa.

Mr. Samis: We'll see at the next election.

Mr. Acting Speaker: Order, please.

Mr. Warner: Say it with a smile.

Interjections.

Mr. Acting Speaker: Order, please.

Mr. Samis: I do give the minister credit for an interest in the general welfare of farmers in this province but I really wonder about his deep commitment to the principle of this bill. It seems to me that we have this bill here before us today as if we've kicked and dragged it out of him through a minority government, through rejection by the farmers, through rejection by the Legislature and a near election last spring. This is the baby we finally had to drag out of him. I get the impression that he'll only do it because it's forced on him and when it's forced on him he'll do as little as possible so that he can stick to his so-called free enterprise principles, as enunciated by my colleague from Kent-Elgin.

The fact that it's tied to the federal plan, I think would please very few of the farmers in this province and very few people in this Legislature. In effect, the result of tying it to that extent doesn't make it a full farm income protection plan as has been advocated by this particular party.

Although not being a farmer and not claiming to be all that knowledgeable in the field, I did notice that British Columbia, with its faults, with its shortcomings, didn't wait for the feds to introduce their plan and implement it. The politicians there thought there was a need for it for the farmers of British Columbia and they did something to meet that need. I've noticed that the government of British Columbia, the present government, has not dismantled or discontinued that plan; nor has it complained that it has to wait for the feds to do something else.

Obviously that speaks for itself when we consider the vast difference in philosophy and ideology between the Socreds and the NDP in British Columbia. The government of Quebec, unlike this government and this minister, didn't wait. There were needs in Quebec agriculture but the plan was not nearly as comprehensive as British Columbia's—

Hon. Mr. Henderson: Where are they today?

Mr. Samis: —however, Quebec did something. It went ahead on its own to try to meet the need.

Hon. W. Newman: What? Just tell me what?

Mr. Samis: That contrasts with this province—

Come on—the minister knows there are four of them. This province has stalled and waited and now it can't do that any longer we've watered things down and hitched up with the federal minister in Ottawa.

I was rather interested to read the comments on this bill of the president of the Ontario Federation of Agriculture, a man whom I would respect. Some of the comments he made in his column in Farm and Country of November 16, were rather interesting. The headline was, "Who's Bill Davis Trying to Kid?"—obviously he's referring to this bill.

I noticed his very first sentence, "Agriculture Minister Bill Newman and Premier William Davis do not intend to protect Ontario farmers from low prices for farm produce. This is the obvious conclusion to be drawn from the recently introduced agricultural stabilization Act." I know the member for York South quoted extensively from that same article in his speech on Tuesday but the fact that the president of the federation has so little confidence in the actual grass roots implementation and value of this bill, I think, is something which speaks for itself.

He says it's quite legitimate for the Ontario government to put pressure on the federal government; no doubt it's even considered fair game for the provincial minister to beat up on the federal minister if he wants to or if he can, but must he use Ontario farmers as the club?

Interjection.

Mr. Samis: I wonder why a man who is obviously dedicated to the best interests of the farmers of Ontario but who may not be in total agreement with everything this government does would use such strong language if this bill were so beneficial to the people who put him in his particular position?

While I would welcome the voluntary aspect, the contributory aspect, of the bill as a step forward and some of the modifications in the calculation of the cost of production are very obvious steps forward, I still feel that this bill is really giving the farmers of Ontario, who need something badly, a half loaf when they need a full loaf.

Mr. Nixon: I am always extremely interested in the remarks made by the member for Cornwall—I have a high regard for him—but there are one or two things he mentioned in his remarks which I want to refer to. I believe that being a man with his home and

his main interest in the city of Cornwall he is anxious to learn other views, particularly of those associated with the agricultural industry.

One of the things he referred to was, in his words, the myth of the family farm—

Mr. Samis: No, free enterprise.

Mr. Nixon: I'm sorry, Mr. Speaker, but I wrote it down when he said it. The myth of the family farm, particularly in his view, as opposed to the large corporate farm is really a serious misapprehension in his mind.

Mr. Samis: On a point of order.

Mr. Acting Speaker: The hon. member will state his point of order.

Mr. Samis: I said a variety of things but I am afraid that what the member for Brant-Oxford-Norfolk is doing is taking about four words of my speech out of context and trying to switch them to say or suggest that I would be against the family farm.

Mr. Reid: That's an NDP trick, isn't it?

Mr. Samis: Obviously this party wouldn't have fought for the bill if we were against family farms. That speaks for itself.

Mr. Acting Speaker: The hon. member will continue.

Mr. Nixon: If the hon. member is correcting me in that regard I certainly accept it. I invite him to look at the record because I'm as sure as I'm standing here that he said the words I wrote down. It may even have been a slip because if he said it, what he said is tantamount to a withdrawal.

Mr. Samis: That's the context.

Mr. Acting Speaker: Order, please. The hon. member for Brant-Oxford-Norfolk has the floor.

Mr. Nixon: I want to refer to his indication—and if he didn't say it the way I heard it, others certainly have—that somehow or other the family farm has no place in agriculture—

Mr. Samis: I never said that.

Mr. Nixon: —and particularly that it is the big corporate farms that are putting them out of business. Nothing could be further from the case.

There was a time, maybe a decade ago—perhaps it was not even that long ago; perhaps the knowledge and the philosophy that the hon. member is referring to is a bit out of date—when people were afraid for the continuation and the existence of the family farm. There were many speeches made in this House for programmes that would support it—sometimes artificially, if necessary—on the basis that it was a unit in the agricultural community almost as important as is the family in the social community itself.

In the experience of corporate farming, however, there has been the most tremendous waste of corporate funds and the most tremendous process of education as to how corporate approaches to farming are inadequate, wasteful, non-productive and just purely a mess. We have found in the last three years, or perhaps five years, that the family farm has come forward as the only viable agricultural unit, and anything other than that is something that does require a very special support if any government sees fit to support them. The family farm is the unit that has a real future in the agricultural economy of this province and this nation.

I would be delighted to trade whatever position I have in public life, or even in agriculture, for the situation of a man and his wife who are farming a couple of hundred acres with a milk quota and who have a son and a daughter who are interested in working with them. The've got one of the best kinds of lives that anyone could possibly have, and I believe that the remuneration, if they've got a quota, basically is about as good as it would be in any other course of reasonable endeavour.

Mr. Philip: Don't do that, Bob.

Mr. Nixon: It's unfortunate that not more farmers have been blessed with all of those purposes, because obviously many farmers are having a difficult time economically. I am one of the fortunate farmers with a bit of additional income from outside; the $15,000 indemnity I get goes very nicely with the income from our family farm.

You probably remember, following things as closely as you do, Mr. Speaker, it was in 1971 that I sold the milk quota that I had at that time; the cows had fulfilled that quota. While it was not a mistake for a number of reasons, I will tell you that on the basis of the economy those farmers who went out of dairying at that time and turned to beef, as some of us did, certainly now appreciate that while it's tough to get up at 5 o'clock in the morning, there are certain compensations, particularly when the milk cheque comes at the end of the month, which should not be sneezed at.

As a matter of fact, just to show how involved in farming I am, a week ago tonight I

got home rather late after the session and was informed that my charming wife had been running up and down Highawy 5 chasing 50 cows; she was very much in favour of getting out of the beef business without delay. However, that's another matter.

I did want to say that while I enjoyed the comments by the member for Cornwall and I invite him to examine the record, I certainly want to be very clear that anyone who is associated with the agriculture industry is not so much afraid of the family farm as we were a decade or even five years ago. It has been shown to be the effective economic unit both now and for the foreseeable future. The old NDP myth, the myth that somehow corporate farming is going to squeeze out the family farm, that is not correct and that is not one of the major threats that the farmers face at this time.

Mr. Samis: Lots of other problems, Bob.

Mr. Nixon: The other matter that the hon. member dealt with involved references by Gordon Hill to the bill that is before us. One of the things that concerned me, since I believe this legislation has far-reaching ramifications for the future, is that nobody seems to be interested in what is going on as we debate it in this House. I don't know whether it's the hon. member for Cornwall or myself who has driven everybody out of the House, but there are a couple of people unfamiliar to me in the press gallery—and I hope they are reporting for the farm publications—I don't see any members of the federation here. I don't see the agriculture critic of the NDP.

Mr. Bain: You haven't been here for the full debate either.

Mr. McClellan: Were you here, Bob?

[5:30]

Mr. Nixon: As a matter of fact, there's almost a certain degree of irrelevancy when we are debating the bill under these circumstances. However, be that as it may, it is our responsibility to put forward our views. The minister is here, the deputy is here, the former deputy was in the chamber a few minutes ago—and certain other officials of the Ministry of Agriculture and Food and it could be the changes in the bill are going to be forthcoming before the bill receives royal assent.

Mr. McClellan: Where were you until 5:15?

Mr. Nixon: Back to the comments made by the president of the federation. Gordon Hill commands the respect of farmers and of politicians on all sides. There's no doubt about that. I've known him well and we have had disagreements as well as agreement in this very field.

But I think it is important that the news release from the federation authored by Mr. Hill, and dated October 27, should be a part of the record.

Mr. Philip: We have got you on the record. That is the only reason you are not minister now.

Mr. Nixon: Because almost like politicians the leadership of the Federation of Agriculture probably finds that as time goes on their position tends to intensify and that the views expressed by Mr. Hill in the publication—

Mr. Samis: What does that mean, intensified?

Mr. Nixon: It means get stronger. The views expressed by Mr. Hill in the publication Farm and Country were extremely strong indeed compared with his official pronouncements given to all members of the Legislature under the date of October 27. I quote from what Mr. Hill says.

Mr. Hill explained: "We are very pleased with the changes the government has made in the legislation, but there are a couple of further amendments required if the programme is to be effective. We are very pleased that the programme is to be voluntary, that farmers are to contribute, that all commodities can be covered, that there's provision for consultation with farm organizations and that there's an opportunity for the federal government to share the cost."

Interjection.

Mr. Nixon: Now it is true that Mr. Hill went on and rather scathingly attacked the government for not providing a programme which would put more money into the agricultural community. I wish that were so, but I'm not at all sure that the money from public sources should be injected into the agricultural economy through a programme such as this.

I strongly believe that if an overall programme is going to be effective, it shouldn't cost a dime—that the money for the farmers and in the agricultural community has got to come from the consumers in the marketplace and that's got to be our primary goal.

If we are prepared, as are the NDP, to attempt to have it both ways—a phrase politicians use so often—with rock-bottom prices in the supermarket and the farmer getting a

good return as well, the only way to do that is to take money out of tax sources and give it to the farmers.

The farmers do not want that. I am a farmer and I speak for farmers and my neighbours and believe me they don't want it. They don't want to starve either. They don't want to go without their fair return.

Mr. Bain: They should get into politics like you.

Mr. Nixon: I believe that the best future that the Federation of Agriculture can promote for its members—and I happen to be a dues-paying one and I hope that many others here are as well—is to have a good, strong, growing farm organization which in fact will become, if not the single voice for farmers in this province, what is tantamount to a single voice for farmers and see to it that from the marketplace the primary producers get the proper economic return which will give them the cost of their investment as well as a decent return on their labour.

Now for the NDP to suggest that all of that money has to come from public funds is an indication of their commitment to the control of the state in agriculture, which is unacceptable.

Mr. McClellan: Our position is the same as the OFA's and you know it.

Mr. Speaker: Order, please.

Mr. Nixon: There is no way they can talk about cheap cost in stores and a good return to the farmers, without meaning that the state comes in with massive contributions in the programme they envisage and which we reject.

Interjections.

Mr. Nixon: It is a basic difference, and one that I'm proud of.

Interjections.

Mr. Nixon: Now the amendment to the previous bill did not mean that the minister had to return the bill with the changes that Mr. Hill referred to in his news release, and contributory aspects we've been talking about, and the fact that it's not a mandatory programme, and that there will be farm input—all of those things are acceptable and the Federation of Agriculture spokesman has accepted them.

Interjection.

Mr. Nixon: I would indicate as well that in the statement I referred to from Mr. Hill, he said there are three things that should be changed. I do want to refer to those three because, unfortunately, Mr. Hill and I and Mr. Hill and this party don't agree in total in all of them.

First, says Mr. Hill: "The big problem with the bill is that for all commodities it only supports the difference between 90 per cent of the five-year average price and 95 per cent of the five-year average price. That's okay for commodities with a federal stabilization plan but it's extremely punishing for commodities without a federal plan. In the absence of the federal plan, the provincial plan should provide full protection."

This is a difference of opinion which has already been expressed because there are those here who say if the Minister of Agriculture federally has not got them included in the federal plan, how do we know that he will include them in the future? It's a valid question because it may be that the will not include them in the future.

My colleague, our agricultural critic, the hon. member for Huron-Middlesex, has indicated that he has confidence that the federal plan can be expanded quite readily to include any programme that is requested by the growers concerned. I can say to you—and I may be naive but I don't believe I am—that I believe the federal programme can be expanded in such a way as well. There has been no indication in any instance where a viable request has been made of the federal authorities that has been turned down by Gene Whelan in this connection. There has been a question of what about a cow-calf operation programme? We have one already in the province of Ontario and, frankly, being associated with it myself, I would say it is a viable programme and I don't see why Gene Wheelan should stand up in the House of Commons and say: "Gosh, I don't think those people in Ontario should be spending that money. Let us spend it for them."

There would be no reason why Whelan, being a hard-headed farmer and taxpayer, would want to spend the money federally if somebody in the province of Ontario is going to spend it. In my view, this is the main reason why we should leave the bill as it is because there has been no indication in any statement from the federal minister and there has been nothing in our experience from the commodity groups that have requested designation under the federal programme that he would turn them down. Of course, there's an obvious reason why I would have perhaps more confidence in Mr.

Whelan than anybody else in the House. I know him well and I do have confidence in him. I do believe he is the best Minister of Agriculture that Canada has ever had.

Mr. Bain: There must have been some bad ones then.

Mr. Nixon: He has the interests of the farmers at heart and there is no reason in the world why a legitimate requested designation would be turned down.

Mr. Stokes: Does red meat make people ferocious?

Mr. Nixon: Mashed potatoes make them mild and that's what the member has been eating.

According to Mr. Hill, he says that's okay for commodities with a federal stabilization plan. He's concerned that there may not be a federal plan. We in the Liberal Party are convinced that if it is needed, there will be. Let me say further that if for any reason we are disappointed, then surely this House can take whatever action is necessary to provide that designation. There is no reason why that can't be done.

I just want to say again, going back to that cow-calf operation, the reason there isn't a federal one of significance applying in Ontario is that we have got one. How much of our money are we using to fund it this year?

Hon. W. Newman: About $22.5 million or $21.5 million.

Mr. Nixon: About $22 million. I would say again there is no reason why Whelan should get into it because we have pre-empted it. If we pre-empt all the other programmes, he is going to say: "Great, those rich Tories in Ontario are going to pay the bills for us and that's probably the way it should be because Ontario is a rich province." As a member here and a taxpayer, not only in Ontario but in Canada, I would prefer to pay only one and I would prefer if possible for the money to come from Ottawa. I believe if we amend the bill along the line of Mr. Hill's request, then we are going to interfere with federal initiative and I don't want to do that.

Mr. Shore: Are you guys scared of Mr. Hill?

Mr. Nixon: As for the second request from Mr. Hill, I quote from his news release of October 27. He said: "Secondly, the indexing system for adjusting payments to keep up with inflation should cover all production costs rather than just the items that the farmer must buy. This could include a return for the farmer's labour and investment."

I believe that this bill that is before us has been improved substantially from the costs that would have been included in the bill that was before us in the spring or early summer. They do not however include the cost of investment capital. And my colleague the member for Huron-Middlesex, when he was talking about this, made some facetious reference to "his friend, Bob Nixon, who didn't have to pay interest on his land."

That is correct. The farm I have has been in the family for five generations, and I don't believe any interest on the land has been paid after 1850. That is a tremendous advantage. It really is a tremendous advantage because the farmers that I compete with who have had to go for even government subsidized loans, pay very high interest rates indeed. And they have got to make those payments as well as payments in principal out of the same profits that are available to them as compared with me.

But suppose that Mr. Hill's suggestion that it could be included was followed and a programme establishing a price, including the interest payments were payable—

Interjection.

Mr. Nixon: Whether or not I would be eligible I think is academic. But let us say that the payments to farmers who do not have interest payments—and there are plenty of them in century farms; in our township half the farms are century farms, and I would predict there will be double century farms if you want to wait around long enough—

Interjection.

Mr. Speaker: Order, please. The interjections are not contributing to the debate.

Mr. Nixon: —the payments payable to them would be unfairly high, and we would have established a programme which would be to the benefit of the larger established farmers, rather than for the young farmers who should be relying on government programmes here to give them a decent return competitively from the marketplace, rather than some sort of an equalized handout that is going to put money in my pocket—that is an old, established farmer—rather than somebody who is trying to move forward in the competitive arrangement.

I submit to you that that objection to Mr. Hill's suggestion is a valid one. I referred it to a number of farmers and most of them agree with my contention. I would suggest

to you that even my friend from Cornwall, a most reasonable person, who says that he really favours the family farm—and I believe that he does, now that he knows the ramifications of his previous statement—

Mr. Samis: Don't take my statement out of context.

Interjections.

Mr. Nixon: —that even he would see that the cry from the NDP that all those interest costs have got to be included is superficial. It simply means they have not examined what will actually happen and means they are favouring a change which is going to put public money into the hands of the big farmers. Even the corporate farmers that the member for Cornwall is so concerned with.

Third—and I quote from Mr. Hill's release: "Finally, the support level is too rigid. The bill states that the support level must be 95 per cent of the five-year average price, adjusted for changes in some input costs. But in some commodities where overproduction is feared, producers may not want a support level that is that high."

For an opposition member to move an amendment that the level of support should not be 95 per cent but up to it, is very readily misunderstood by people who are only superficially involved with this important matter, because they say that member doesn't want to put money in the farmer's pocket. But here is a main spokesman for the farm community saying in some circumstances a support level of 95 per cent will in fact be an incentive, and that is the last thing we want.

I would hope the Minister of Agriculture and Food may in fact respond to that request from Mr. Hill and if he does we will have a chance to discuss it in committee.

Interjection.

Mr. Nixon: I don't know how important it is but it seems to make sense to me, because the big problem—let's say in one of the really strongly controlled producer items: milk—is that if you are going to have a good price where the farmer is going to make money on it then the production capacity is almost unlimited. If the farmer can make a reasonable return on the production of milk we can just float the community away in milk. That is what has happened and what got my friend Gene Whelan into some trouble, because particularly in the manufactured milk area there were not stringent enough production controls and the price went up far higher than it is in the competitive states like New York.

Mr. Samis: It should be.

Mr. Nixon: Well, the member lives next to the border, and he knows what the people can buy milk for across the border compared with Cornwall, so I am not saying that the price of milk is too high, far from it. I am saying if the price is at an incentive level then there must be the most rigid forms of control, because any farmer, like any businessman, is going to look at the regulations and say, "Ah ha, I can put on another five cows there, or I can buy a few more tons of concentrate, or I can do something else to produce more milk," because he wants to make money—and there's nothing wrong with that. That is precisely what the problem was in the milk marketing scheme over the last few months—the price was an incentive price and the controls weren't rigid enough.

[5:45]

Mr. Philip: Are you near the end of your speech?

Mr. Warner: This is just the preamble.

Mr. Nixon: Oh, no. I've got a long time to go yet. I just want to make another reference to one of the NDP statements which came from their agriculture critic, the member for York South. I agree with what the member for Cornwall said about the qualities of the member for York South. I've been at agricultural meetings where he would sit quietly in the back, ask questions when he wanted some information and where he really has done a good job on it. But he said something in his introductory remarks that really bothered me. If I were the member for Riverdale (Mr. Renwick) I would say "there is a philosophical difference between us." He said, and I wrote the words down as he said them: "Free enterprise does not exist in agriculture."

If he's right, all of the farmers in this province are wrong. And I'm telling you that they are not wrong. They are not wrong.

Mr. Samis: That is out of context.

Mr. Nixon: The context was precisely as I put it to you. He said that free enterprise does not exist in agriculture, and I would say—

Mr. Samis: Why don't you have some free enterprise, then?

Mr. Speaker: Order, please.

Mr. Nixon: —that it might not exist if, heaven help us, the NDP ever imposed their programme on the farm community of this province. They will not be imposing that programme because farmers are committed to the free enterprise system which is a workable system.

Mr. Bain: You would not impose anything then?

Mr. Speaker: Order, please.

Mr. Nixon: There are certainly controlled products. I've already spoken about milk. Tobacco and other important products that are grown in my constituency are rigidly controlled. It is so rigidly controlled by the vote of the farmers that the marketing board can fly over in an airplane and take a picture, they can go into the farmer's property without his leave, measure it off with a chain and rip out the rows of tobacco for which no direct marketing board authority has been obtained. That's just about the strictest control you could possibly have, and yet—

Mr. Warner: Where is that?

Mr. Nixon: All of the flue-cured tobacco in the province of Ontario.

Somebody just mentioned that there are violators. There are practically none, because in the farm community there is strong support for this kind of control. But even with that kind of control, the price of tobacco is low compared with the costs that the farmers have undertaken. There is real concern that even these rigid controls are not going to be sufficient to give the farmers the sort of return that they want.

The point is that if you are going to have a programme which included the points that the NDP have put forward so strongly, they would have to be accompanied by this sort of rigid control in every commodity, particularly the primary products. Milk is not a primary product. We're particularly talking about the grain crops and so on.

Mr. Speaker: Order, please.

Ms. Gigantes: What does voluntary mean?

Mr. Nixon: I'm telling you that the farmers in this province have got the most amazing capacity to produce products, primary and otherwise, if they can make any reasonable return on them at all. We, of course, are concerned about the retention of our productive food lands. But we are a long way from any food shortage in the market for which we grow in this province or in this country. Most of the farmers I know are idling along at about 30 per cent of what they could produce if they could make money out of what they grow. They're quite content to leave a field of alfalfa in for another year or two rather than rip it up when it starts to thin out—

Hon. W. Newman: Winter kill.

Mr. Nixon: —or winter kill, because the cost of the seed and so on, and what you can get for the hay or from the products of the hay just doesn't make it worthwhile. But if we had an economy where the farmers could make a profit from using their best talents, why our production would go up by at least a factor of three and perhaps a factor of five—maybe even more.

One of the things that attracted me to John Diefenbaker, almost enough to vote for him in 1958—not quite, not quite—is when he said to those western farmers, "Alvin, we'll sell your wheat, you just grow it." Wouldn't it be a marvellous thing in the farm community of Ontario if somehow somebody could say that to us and mean it, and we could believe in it? We could go out into our fields and grow. We would be able to produce food that would feed the Indian sub-continent—I'm telling you we would—because the production capacity of this province hasn't even been scratched.

So we're just talking about how unreasonable the approach from the NDP is. They're saying it's just voluntary. In other words, the farmers who choose to do so can make a contribution and get the kind of return they are talking about.

If there is an incentive, even a small incentive, to farmers who are very canny businessmen—believe me, there is nothing unsophisticated about farmers who are looking after their own businesses—they will detect that profit there. The farmers will move into it and the oversupply problem will be one which will make the oversupply problem in milk in the last few months seem like no problem at all.

I would say that we're going to offer some amendments. My colleague, the agriculture critic in our party, has referred to the fact that we want the farmers to have direct nomination to the board.

I'm a little concerned that there'll be one from the federation, one from the farmer's union and one from the Christian Farmers. I don't believe that's fair. It might be all right for starters but if we're going to have a farm stabilization programme which is going to exist and be meaningful and grow in its concept, I really think that commission is going to have to be directly responsible to the

farmers, like the Milk Marketing Board is, by election.

I really don't think it's good enough to have one from the federation, one from the union—which has 400 members, I read the other day—and one from the Christian Farmers. They're all very able organizations with good research and so on, but if there's any justice at all the federation, which is by far the largest and commands the responsibility and respect of most of the farmers, surely is going to expect a larger voice in the workings of that commission.

I hope somebody can put their minds to that because we have sweated about trying to put it forward in some fair way. I would think that if this is going to be established and is going to grow and become a real presence in the agricultural economy of the future, the appointment of that commission is going to have to be something other than the very simple aspect of the amendment, which I believe my colleague will be putting forward, for a representative from each organization.

I might as well let it go at that. I believe the bill is an important one. Obviously there are many inadequacies in it but if we establish this commission which is responsive to the farmers and not to anybody else—and I believe that's important—we will have taken a strong step in the right direction.

I should say that one of the things which concerns me about the responsibility of the minister is that he heads a ministry called Agriculture and Food. I believe those two things cannot go together in the sense that some people think they should. The consumers must be represented by somebody other than the Minister of Agriculture and Food, unless his job is to represent the farm industry and to assure the quality of the food and to ensure, as well, a viable farm industry economically and otherwise. If he's not doing that, then he's not doing his job.

All of us are concerned about the consumers. Since we sold the cows we drink more milk than we ever did before and I know about the price and all those things. We're all concerned about the consumers, but I believe that the Minister of Consumer and Commercial Relations (Mr. Handleman) ought to be worrying about the price and what happens in the middle operations and so on. I would suggest to the minister that if he wants to bring in some sort of an amendment which emphasizes that his responsibility is to the agricultural community I, for one, would support it.

Mr. Villeneuve: Mr. Speaker, could I adjourn the debate?

Mr. Speaker: We won't adjourn the debate. Could you not make a worthwhile contribution in five minutes and then continue afterwards please?

Mr. Villeneuve: Mr. Speaker, I support the bill. I do not say it's the last answer to all problems, but nevertheless a great transition has taken place since I first came here.

In 1948, I remember in our area the average farmer would have perhaps $5,000 invested in implements. Today, in a mechanical age, to keep modern—

Mr. Philip: Now he's $100,000 in debt.

Mr. Villeneuve: —and enlarge his operation, he's got $150,000 invested. Therefore, he's got to have some security because the elements, like weather, are something none of us can control. Supply and demand have control of the markets.

If we in Ontario alone took a parochial or provincial point of view, we would have no problems because we happen to have a third of the population in this country.

Mr. Samis: Not in the Ottawa Valley.

Mr. Villeneuve: Unfortunately, we've got to trade across the country where there are free boundaries and free access to other markets. To try to say that this should be a provincial bill without tie-ins with the federal bill is utterly impossible as I see it, because the federal government has reciprocal arrangements with the United States. They are tied with GATT contracts with the food-producing countries of the world. Therefore, there are many complicated factors that do not make it just quite as easy as it would appear.

My friend from Cornwall mentioned British Columbia. If you take it on the whole, British Columbia is a deficiency province. It doesn't produce sufficient agricultural products to feed its population. But take Alberta, right next to it. It produces 40 per cent of the top grade beef for Canada. After all, what will apply in the one place where there is a supply and demand shortage and in other places where they have a great surplus makes a great deal of difference when one has to control it. We've found that out with milk.

Mr. Philip: That is why we need a marketing board.

Mr. Villeneuve: Therefore, I can understand that certainly there may be amend-

ments that will improve the bill. I'm a free enterpriser. People opposite may think they may have the answers, but it takes the best brains in the country and we've got a long way to go to resolve these problems. I realize that.

In the time allotted to me—I'll make it as short as I can—I would point out that there are some products here that are covered that are not covered under the federal bill.

Mr. Speaker: If the hon. member is going to get into another branch of his talk, I would recognize the clock if it would be his wish.

The House recessed at 6 o'clock.

APPENDIX

(See page 5038)

Answers to questions were tabled as follows:

65. Mr. Angus: Inquiry of the ministry: Would the Minister of Government Services please list the previous owners of all property purchased by the government of Ontario in Thunder Bay in the last 10 years, including all properties purchased by provincial corporations?

Answer by the Minister of Government Services:

Attached is a listing of the previous owners of property purchased by the government of Ontario in Thunder Bay in the last 10 years.

Academy Heights Ltd.
Airlane Motor Hotel
Alf Cooper & Co. Ltd.
Belle, J. V.
Bertoni, B. & M. R.
Biloski Estate
Brooks
Brooks, F.
Burke, L.
The Canadian Legion Memorial Gardens (Fort William)
Canadian National Railway
Caruso, P.
Chiodo, R. & V.
City of Fort William
City of Port Arthur
City of Thunder Bay
De Jausserand, H. R.
Dunn, B. J.
D.V.L.A.
D.V.L.A. (Wilen)
Erickson, S.
Fallis
Fors, K.
Frigate Investments Ltd.
Galbraith
Gammond, N.
Gariepy, J. A.
Gibson, A.
Gibson, H.
Great Lakes Paper Co. Ltd.
Gwell Investments Ltd.
H.E.P.C.
Headway Corp. Ltd.
Holmes, H.
Holmes, P.
Home Smith Properties Ltd.
Huotari, V. M. & I. J.
Johnson
Kaija, M. A.
Kajorinne, J. & Ranta, E.
Kauranen
Kearney, G. A. & V. J. I.
Killens
Kivisto
King, D.
King, E. M.
Klausen, C.
Korpala
Lakehead Developers Ltd.
Landversicht Estate
Lannon
Luhtala, J. E.
Manera, A. S. & R.
Mayotte Construction Ltd.
McBlain
McGoldrick, E.
McGoldrick, J.
McLean, W.
Merlin, J. A.
Methot, E.
Michieli Bros.
Morrow
Mutis
Nash, L. E.
Nelson, L.
Ontario Hydro
Otway
Otway, Mr. & Mrs. A.
Otway, Mr. & Mrs. A. & Kathleen
Pepe, Messrs. Rocco, Antonio & Robert
Petrone, A. A.
Port Arthur YM-YWCA
Randle, D. E. & D. E.
P.U.C. (Port Arthur)
Ranta, E.
Raynard, J. A.
Richter, F. A.
Rigato, A.
Rochefort
Ross, L. C. & P. J.
Roussel, J.
Roussel, W. A.
Rusnak, J.
Schnarr, C.
Shell Oil
Shulist
Sirkkunen
Sluzar
Smallwood, B.
Smith, D. J.
Smith, R. M. & D.
Starczowski
Steinke, A.
Stevens Estate
Texaco Canada Ltd.
Thatcher, E. J.
Traer
Travaglini
Twin City Gas

Vaillant, C. J.	Annuik, Michael Leo
Vanden Bos	C.P.R. Co.
Van Schie, H. G. & C. A.	Corp. City Fort Wm.
Vondrasek	Corp. Mun. Shuniah
Walas	Heath, Wm. A.
Zatti, A.	Hill Estate
Zavagnin, A. & C.	Peltola, Onmi & Lhmi
Survais Estate	HEC Thunder Bay
Vladinrov, Anna & Grigorovich, Lena	Yasinski, Rosie
Scarcello, Rosa & Attila	Ketonen, Impi
Filipovick, N.	Ypma, John & Henry

111. Ms. Bryden: Inquiry of the ministry: 1. Would the Minister of Culture and Recreation report the total cost of the Sports Achievement Awards Banquet in Toronto on May 5, 1976, including printing and mailing of invitations, dinner, alcoholic beverages, tips, entertainment and any other costs attributable to the event? In addition, would he specify: 2. How many award winners attended? 3. How many MPPs attended? 4. How many public servants attended? 5. How many other persons attended?

Answer by the Minister of Culture and Recreation:

1. The total cost of the Ontario Sports Awards Banquet on May 5 was $20,921.83

Details		
Printing inviations	$ 725.00	
Mailing—covered by government mailing service, cost not identifiable; estimate		800.00
Banquet	17,564.65	
Wine with dinner	1,531.25	
Tips—15 per cent included in above		
Entertainment	725.00	
Head table reception	375.93	

2. The following guests were in attendance:

Award Winners	540
MPPs	41
Athletes from recent and previous Pan American Games	15
1976 Winter Olympic Games Team (Canada)	45
1976 Summer Olympic Games Team (Canada)	28
Provincial Sport Governing Body—Presidents and Executive Staff	126
Amateur sport programme representatives	63
Civil servants	50
Total in attendance	908

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Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

FARM INCOME STABILIZATION ACT
(concluded)

Resumption of the adjourned debate on the motion for second reading of Bill 131, An Act respecting Farm Income Stabilization.

Mr. Speaker: The hon. member for Stormont-Dundas-Glengarry.

Mr. Villeneuve: Mr. Speaker, when I moved the adjournment I was talking about the necessity of a stabilization Act—

Mr. Samis: Here is the minister, here he is.

Mr. Nixon: Just ran up from the Albany Club.

Hon. W. Newman: Never go there.

Mr. Nixon: Good for you, Bill.

Mr. Villeneuve: I was talking of the necessity of an Act being tied in with the federal stabilization Act because their jurisdiction has control of reciprocal trade arrangements and importation and therefore we've got to work in harmony together.

We know that the beef industry hasn't had a successful period in the last few years, and the federal Minister of Agriculture, Mr. Whelan, placed an embargo on New Zealand beef. Anyone knows it is produced much cheaper than ours because climatic conditions the year round are more favourable. The result was naturally that move to try to stabilize the industry. We in our particular part of the country are perhaps not as prosperous, because we have not enjoyed a fluid milk market. About 145 of our best and most prosperous farmers have enjoyed a fluid milk market in the city of Montreal for some 60 years. With the result of last week's election, we were a little bit nervous about what might happen in the future. But these people are well established; they've had income. As the hon. member who spoke before me stated, the owner of a century farm naturally is clear of debt and, it's very true, he can get into production very rapidly, because he's got the money to increase his herd and to increase production. Unfortunately, a young man or a newcomer starting up has got to borrow money; and when one borrows money and depends on income to meet those payments, it's a different story altogether.

I have stated that if we had taken a selfish attitude in the province of Ontario, we would have had no surplus of dairy products in the past 30 years, outside of possibly a little powder. We have tried to diversify our production so it would fit into different channels; 40 per cent goes into the fluid milk market and the rest into industrial products. The largest industrial milk processing plant in Canada happens to be in my riding. A few years ago I criticized some of the people on the Milk Marketing Board for doing away with small cheese factories because they have a place in society; they are needed to some extent. Nevertheless, all in all, one cannot stand in the way of progress.

This one large plant can process 2.2 million pounds a day. But, mind you, they cannot produce a pound of cheese; they have no milk to produce cheese. Here are some of the diversified products they make using liquid condensed milk: Ice cream mix; confectionery products, such as chocolate bars; sweetened and condensed milk puddings; baby food formulas; and fresh and whole condensed milk products. That plant is running at less than 40 per cent capacity today. They're bringing in milk from Quebec, if they can obtain it, and paying a higher price than the Milk Marketing Board price in Ontario. That is the situation that exists. I say to the minister that I find fault with our people who sat on the Canadian Dairy Commission.

Mr. Samis: Listen, Bill.

Mr. Villeneuve: I have said from the word go that when a farmer who is producing milk had to pay $8.60, plus transportation, which makes $9 a hundred, and if he can spill it on the ground, where it doesn't cost him money, it's little wonder there's a shortage of milk in eastern Ontario.

I have known farmers who have spilt as much as 700 pounds of milk a day. They save themselves $63 a day, which means over $1,900 a month. I do not blame Mr. Whelan for a system like that. The Canadian Dairy

Commission is made up of representation from coast to coast and, after all, he got poor advice.

Last year was an exceptional year. As the hon. member for Brant-Oxford-Norfolk (Mr. Nixon) has stated, it's easy to get into production. The hon. member for Cornwall (Mr. Samis) has quoted statistics about the farm population dwindling. That is correct. It has dwindled by over 75 per cent in the last 30 years but we are producing more milk than we ever did so it just goes to show we have the mechanics to produce it if the farmers get sufficient returns.

This is why I say it is so important for us to tie in with the federal government because of the larger field it has in its stabilization Act. After all, what has happened is exactly what my predecessor on the opposite side has said. Our milk revenues came up pretty well when we received a very substantial subsidy from the federal government but in the final analysis it proved it certainly was not the answer.

We were glutted with milk—not from Ontario but we have to look at the overall national picture—and the result was that instead of paying hundreds of millions of dollars, the federal Treasury people said, "We have to stop this. We have milk powder by the millions of tons which we cannot sell."

It's natural to try to curtail production but the way the federal people went about it was very disastrous as far as eastern Ontario is concerned. The people who could least afford it went into debt to try to build up their herds, to build better stable accommodation, to build better modern milk houses and get modern milking equipment. They sunk themselves in debt by planning on milking perhaps from 30 to 50 cows. Those men have taken the 15 per cent cut in just the same way as the man who produced a million pounds of milk.

Mr. Nixon: They were encouraged to do that by the provincial government.

Mr. Villeneuve: That is the part which is absolutely wrong. If a man has an industrial milk contract and produces a million pounds of milk a year, on the returns that gives him at the present prices I see no reason for any government to subsidize him.

The little fellow on the family farm, who is trying to pay off obligations and keep his family around him, doesn't put in 40 hours a week. That, to my friend from Cornwall, is why many of them are leaving the farms. They have to milk cows seven days a week, 12 hours apart. It is very enticing to go to Domtar for 40 hours a week and have as much money at the end of the week.

Mr. Samis: That's right. We agree on that.

Mr. Villeneuve: Nevertheless, I feel that with the cost of operations, the uncertainty of the weather elements and the many risks these people face, plus many long hours. this bill perhaps is overdue but it is better late than never. I do say and I repeat there is no way we can go independently. We have to tie ourselves in with the federal stabilization Act—

Mr. Samis: This is the weakest part of the member's speech.

Mr. Speaker: Order, please.

Mr. Villeneuve: —and therefore I believe we can regulate any of our problems. There is no question about it.

I see that two of the heads of the Canadian Dairy Commission were relieved of their positions in Ottawa and I have reason to believe that Mr. Whelan has become aware that they gave him bad advice. I will give him credit for getting rid of people he doesn't need. Nevertheless, I am in full harmony with this bill. I certainly expect that there will be amendments to it and if they will improve the bill I am all for them.

I want to say this about our farm organizations and I am speaking in particular of the federation. I am a member and have been and I think a lot of it but nevertheless I am not too sure today that they are not acting like real down-to-earth politicians. They are trying to see who can make the best deal.

[8:15]

That is not always applicable. Whether we like it or not, supply and demand, surplus and shortages are going to cause a variation in markets. That is why it's necessary to have some sort of a guarantee written into legislation that a farmer is not going to go broke. Many of them right now are having hardships in my area. The people we encouraged to improve their lot by increasing production a few years ago today find themselves being cut back in production and yet having serious obligations.

Mr. Samis: Tell us where you disagree with the OFA.

Mr. Speaker: Order, please.

Mr. Villeneuve: Mr. Speaker, before closing I would suggest to the minister—I have

said it before—that I think the federal legislation of five years should be cut down to three. The reason I say that is because I have seen the evidence. In 1972 we had a poor crop; you could buy soya bean meal on August 10, 1972, wholesale, for $118 a ton. The same soya bean meal on February 10, 1973, went to $540 a ton. How can the average farmer, on a fixed income, calculate his operation if he has no adjustments?

Interjection.

Mr. Speaker: Order, please.

Mr. Villeneuve: These are some of the problems he has to contend with; in spite of his revenue being greater today, Mr. Speaker, he's in the same position he was 30 years ago. He's still caught in a price squeeze. The things he has to sell do not follow as fast in an upward rise as the things he must buy. Therefore, I want to congratulate the minister for bringing in this legislation. It's not an easy piece of legislation, I can appreciate that.

Mr. G. I. Miller: There was a lot of tail-twisting.

Mr. Villeneuve: But on the other hand, if you put too great an incentive on some products you'll have a glut and you'll be worse off than ever. Let supply and demand and the private enterprise system look after it in that manner and you'll find it'll resolve its own solution.

Mr. Samis: That's what brought us here today.

Mr. Speaker: The hon. member for Etobicoke.

Mr. Philip: Thank you, Mr. Speaker. I must say that the Minister of Agriculture and Food (Mr. W. Newman), who is now leaving, must no doubt have been shaking in his boots listening to the excellent speech by the member for Stormont-Dundas-Glengarry (Mr. Villeneuve). He no doubt, has more to fear from him than he does from the hon. member for Huron-Middlesex (Mr. Riddell) now.

Mr. Angus: Watch it, Eddie, he's sneaking up behind—

Hon. W. Newman: I can't hear you over there.

Mr. Philip: I was listening with considerable interest to the speech by the member for Brant-Oxford-Norfolk who finally admitted that he couldn't make it as a farmer except from his augmented income from being a MPP. That was how he was able to keep his long-mortgaged farm in existence.

Mr. Reed: Listen, he could make it anywhere.

Mr. Nixon: Oh, we keep the burdocks down all right.

Mr. Philip: I wasn't sure exactly, Mr. Speaker, how his speech related to the bill. It seems to me that he spent most of his time attacking the OFA and Gordon Hill.

Mr. Breithaupt: This one doesn't relate much more to the bill.

Mr. Philip: But I can't help but think that if his leadership in the Liberal Party had been as strong as Gordon Hill's leadership was in the OFA, he might have been Minister of Agriculture and Food or Premier today, rather than a member of the third party.

Mr. Speaker: Can we get to the principle of the bill, please? Bill 131.

Mr. Breithaupt: Speak for the farmers in Etobicoke.

Mr. Philip: It's a pleasure to speak to the principle of the bill, Mr. Speaker.

Mr. Nixon: I thought the OFA paid your salary.

Mr. Philip: As a former employee of the Ontario Federation of Agriculture, I feel that I at least have had first-hand experience with the farmers in all parts of Ontario. And in conscience I cannot possibly vote for the present bill in this kind of form, for it's clearly manipulation of the farm community. I've invested too much time in working with farmers, standing up for their rights to descend to that kind of pragmatic politics. The remarks on the principle of the bill which were made by the hon. member for Huron-Middlesex cannot go unnoticed. I've already read the member's remarks to a number of key farm leaders in farm organizations in the province and, quite frankly, they're shocked. If there ever was a speech which could be used to demonstrate the depravity of the Liberal farm policy it's the speech made by the member for Huron-Middlesex.

Mr. Gaunt: Get off it.

Mr. Philip: It clearly demonstrates the strategy of the Liberal Party to play on the fears of the farmers. I can't help thinking

how embarrassed his colleague, the member for Huron-Bruce (Mr. Gaunt), would have felt had he been in the House. I was a little bit worried about the health of the former agricultural critic. I thought that perhaps he might have died from shock over the remarks made by the member for Grey who, I believe, in an earlier speech wanted to institutionalize or register or categorize or something like that—

Mr. Bain: To license.

Mr. Philip: —to license the farmers. I believe that was the word.

Mr. Breithaupt: He is more likely to die of boredom than he is of shock.

Mr. Philip: I hadn't realized there were that many Bolsheviks in Grey but I gather that one was elected on a Liberal ticket. Since the member was—

Mr. Makarchuk: Marxists-Leninists.

Hon. W. Newman: Get back to the bill.

Mr. Breithaupt: Maybe it will get better now.

Mr. Philip: If I may get back to the principle of the bill, Mr. Speaker—

Interjections.

Hon. Mr. Taylor: Too bad you don't understand it.

Mr. Philip: Since the member was speaking on the principle of the bill, I think it's only fair that some of the issues he raised be discussed if for no other reason than to demonstrate clearly where the lines are drawn on this bill. The lines, fairly simply, are the farm organizations, a majority of farmers and the NDP on one side; and the Liberals and the Conservatives on the other side.

Mr. Gaunt: Are you ever living in a dream world.

Mr. Makarchuk: Do you hear that?

Interjections.

Mr. Speaker: Order, please. The hon. member for Etobicoke with the bill.

An hon. member. No wonder you've got your hands in your pockets.

Mr. Philip: The member commenced his remarks by reading a letter, as some members may recall. The letter, I can only assume, reflects the member's own sentiments —that is, the sentiments of the Liberal agricultural critic—otherwise there'd be no point in reading it. The letter, members may recall, claims that only supply and demand make prices—nothing else. I believe those were his words or at least the words of the letter which he appeared to agree with.

We in the NDP agree with the statement. Leaders in key farm organizations, as a matter of fact, agree with that statement. Supply and demand do rule the marketplace in Ontario right now. The farmers supply and the multi-national wholesalers and retailers and speculators demand—that's supply and demand in Ontario.

It's little wonder that the farmers work for years with very little to show for it and that some have to augment their farm income by getting elected to the Legislature. That's the kind of system the member for Huron-Middlesex and the Minister of Agriculture and Food hold so dear, the free enterprise system for farmers.

Mr. Nixon: They paid your salary.

Mr. Breithaupt: I trust you are protecting your job so that you will have somewhere to return.

Mr. Philip: They are free to go bankrupt. The member, in speaking on the principle of the bill, comes down clearly against the process of orderly marketing and I hope that the farmers of Ontario realize that the provincial Liberals are now clearly in bed with Beryl Plumtree.

Hon. W. Newman: You would destroy marketing boards if you had your way.

Mr. Nixon: Beryl is a very nice lady.

Mr. Samis: Now you've done it—

Mr. Philip: We can understand—

Mr. Eakins: Now get down to the serious part of the bill.

Mr. Philip: I'm on the serious part of the bill. I'm dealing with the comments on the principle of the bill made by the Liberal agricultural critic and I don't think they should go unnoticed by the farmers of Ontario.

Mr. Nixon: Certainly not. It was a fine speech.

Mr. Philip: We can understand the camaraderie between the Liberals and the Conservatives on this bill. Just as the member

for Huron-Middlesex is against orderly marketing, so the Conservative Party appears to share this view. Why else would the federal caucus in Ottawa attack orderly marketing?

The prairie grain producers historically have voted for orderly marketing, but both the Liberals and Conservatives refuse to get off the fence and give the producers what they've asked for at one annual meeting after another, namely put all grains under the jurisdiction of the Canadian Wheat Marketing Board.

So here in Ontario it's the same old gang. The member for Huron-Middlesex next made the claim that many farmers say the plan has very little to offer them. We can agree with that, and we'll show this agreement by the way we vote on the reasoned amendment. It's too bad that the member and his colleagues won't have the guts, as we understand it, to vote with us and show the farmers exactly whose side they're on.

Mr. Breithaupt: Just be here to vote on the bill.

Mr. Philip: The member next talked about crop insurance. Mr. Speaker, I think the whole issue surrounding crop insurance has a number of principles that we can look at in terms of the present bill. The whole manner in which crop insurance was introduced and its administration bears a direct relationship to the present bill. What this government is doing is repeating the same old mistakes over again. If I may give a recent example of how crop insurance works in this province—

Mr. Sargent: Are you for or against it?

Mr. Philip: —one farmer I know was accepted for crop insurance, but then he came to make his claim and was rejected on grounds that he wasn't a farmer. Now the decision was based on his farm income for that year, the reason his farm income was so low was that his loss was so great. Some bureaucrat had decided that it's okay to be a farmer when you're paying the premiums, but when you go to get help that's when they decide whether you're a farmer or not.

Mr. Eaton: That is not the case.

Mr. Philip: You see the whole relationship to the present bill is either you build a negotiation process into the bill, or you build in the kind of weakness that we've had in crop insurance in this province. The very weakness of the agricultural programmes in this province has been that they've been directed at farmers rather than created with farmers. And it is very little wonder that the farmers are suspicious of government programmes.

The member for Huron-Middlesex talked about the danger of imposing quotas on farmers, but the very process that farm organizations and the NDP are advocating, namely the negotiating process which we would like to see built in as the essence of this bill, is the very safeguard against arbitrary government action. In refusing to stand firmly with us on the principle of negotiation, and vote with us, the Liberals are opening the door then to the possibility of more government intervention in farm business and in farm lives.

One of the things that has reinforced farmers' fears of government has been the whole process used to build up support for this bill. The ten meetings were clearly designed to talk at farmers rather than listen.

Mr. Eaton: How many were you at?

Mr. Philip: One need only talk to some of the farmers who attended. The staff at these meetings refused to allow any votes to be taken, or even to permit enough dialogue for any consensus to be arrived at. Clearly the minister is afraid to allow the natural democratic process to take place.

Hon. W. Newman: Come on—the farmer from Etobicoke.

Mr. Eaton: That's a lot of baloney.

Mr. Bain: The farmer from Forest Hill.

Hon. W. Newman: You don't even know how to cut the grass.

Mr. Speaker: Order, please, order. The hon. member for Etobicoke has the floor.

Mr. Philip: Mr. Speaker, I can assure the minister that I have listened to more farmers over the last four years than he has, and maybe if he'd start listening instead of talking at them he'd learn something that could improve this bill.

Hon. W. Newman: And you can spread it better than they can.

Mr. Angus: Did you say farmers spread it?

Hon. W. Newman: For a meaningful purpose.

Mr. Speaker: Order.

Mr. Philip: Like the Minister of Consumer and Commercial Relations (Mr. Handleman)

who established the farcical inter-departmental inquiry to give the appearance of participation to people in urban areas, so too the Minister of Agriculture and Food pulled the same old vaudeville routine on people in rural Ontario.

We can understand why the government didn't promote a frank and open discussion among farmers. Perhaps beef producers would realize that while they were paid $22 million on the cow-calf programme this year, they would only have received $2.2 million or in that vicinity were the present bill in effect; they would discover what could happen to them in three years' time when in fact they will be affected by this.

Perhaps a few more farmers would realize the cost of $70 million is merely a fantasy, and as Gordon Hill, the president of the Federation of Agriculture has pointed out, that for the government to spend that much would require that every farmer would have to enrol his full crop production and the plan would have to pay the maximum amount for every commodity in one year.

[8:30]

Even in Ontario, even under this government, the market conditions are not that bad. It's purely a fantasy. This bill, more than anything else that has come before this House to date, tells the people of Ontario what this government really thinks farmers are worth. The present bill only covers cash costs. The toil of the farmer in this province is worth nothing, according to the government. Voting for this bill means simply condoning the view of this government that the farmer is not worth a thing; that his toil is something that is somehow to be given away. I have worked too long with farmers, and I respect them too much, to fall into this kind of condescending attitude toward their endeavours. Therefore, I cannot possibly support the bill in its present form.

Mr. Eaton: How long did you work for the federation?

Mr. Riddell: On a point of order, Mr. Speaker.

Mr. Speaker: What is the point of order?

Mr. Riddell: At least six times in the former speaker's remarks he made reference to the member for Huron-Middlesex. I would just like to say that I was seriously thinking of sending my remarks out to the farmers in the community and, after listening to his remarks, I am more convinced than ever I am going to do it.

Mr. Speaker: Thank you. That's really not a point of order.

Mr. Samis: What is that a point of?

Mr. Speaker: It wasn't a point of order.

Mr. Philip: He doesn't need to, Mr. Speaker. We'll send his speech to constituents in his riding.

Mr. Samis: Are you an urban farmer, Ross?

Mr. Hall: I wish to make a few comments on Bill 131, because the subject of agriculture is important in my riding of Lincoln, and not because I am any farm expert, although I have many colleagues who are.

Mr. Bain: It is all right; neither is the member for Huron-Middlesex.

Mr. Hall: The Niagara region is an important agricultural area, with a 1975 dollar volume of something like $153 million, according to the editorial bureau of the city of St. Catharines. This includes roughly $12 million in cereal crops; $35 million in dairy products, beef, pork and sheep; $38 million in poultry, either meat or eggs; $3 million in vegetables; $1 million in sod; and $32 million in greenhouse flowers. Some 10 per cent, or $15.2 million, according to 1975 figures, is in tender fruit, being peaches, pears, sweet cherries, sour cherries, plums and prunes. Another 10 per cent, again around $15.2 million, is in grapes. For reasons of winter kill and cool, wet weather at blossom time this year, the tender fruit farmers didn't have a banner year by any means, and many more will be buying crop insurance next year. Grapes did have a big production but, following a large 1975 crop, they faced severe marketing problems and some growers took a real beating.

With agriculture in Niagara so topical, I was surprised—and so were some other Niagara farmers—that the September meeting wasn't held in Niagara, but instead was held in Ancaster. To the best of my recollection, there were four legislators present at Ancaster, three Liberals and one Conservative. At that meeting, like everyone else, I had difficulty recognizing the usual clear, calm tones of the minister, but at that time he wasn't saying anything different from what he said in June at any rate. But now we have a better document.

I have listened to and talked to the farmers in my riding. I talked to them quite a bit, I can assure you, when they were worried about the grape crop. Despite the fruit farmer having had a difficult year, I have to say that

not many have told me they want farm income stabilization. They want as little government as necessary. They are willing to take reasonable chances like any small businessman.

Mr. Philip: You guys haven't done your homework.

Mr. Hall: They are concerned about food and preservation—more so, by far, than anyone else. But they do need to sell their products. They want the major effort to be placed on market growth and protection from imports that are subsidized in the country of origin.

As everyone has said, farmers could grow more food now if they could sell it, and increased sales are the only production incentives they want. Artificial incentives would only make present marketing more difficult than ever. Trees and vines, Mother Nature, offer the only production management possible. So they don't need any amendments which would head in the direction of government incentives to overproduce and then have to face production controls later.

What the farmer does need is protection against production losses which would put him out of business, and a chance to have the odd good year. So I believe the farmers in the riding of Lincoln will accept Bill 131, with the changes the Liberal agricultural critic has mentioned, in one of his fine speeches.

The consumer has a stake in food production and its cost. It seems to me that for now a balance between the diverse interests of the grower and the consumer is present in this bill. The bill protects the farmer against the worst, on a voluntary basis in respect of the farmer input.

Further, Ontario should expect the federal government to share in the cost of support when it is needed. So I hope this bill will become law and that the minister will get going on expansion of markets for food that the farmer can produce in increased amounts if he can sell that production profitably. That is the only real incentive the farmers want.

Mr. Philip: Point of privilege Mr. Speaker. May I draw the Speaker's attention to one of the great farm leaders of this province who happens to be in the Speaker's gallery at the moment. Too bad the minister doesn't listen to him.

Hon. W. Newman: Mr. Speaker, may I present the president of the Ontario Federation of Agriculture, Mr. Gordon Hill. The member didn't know his name.

Mr. Philip: All right; I listen to him, you don't.

Mr. Eaton: He'll never get a job back at the federation now.

Mr. Riddell: He'll be looking for one after the next election.

Mr. Sargent: Why don't they let you go?

Mr. McCague: Mr. Speaker, the president of the Federation of Agriculture, Mr. Hill, having been duly introduced, I wonder if either one of those were a point of privilege. I had noticed Mr. Hill in the gallery much earlier, but I couldn't see him as the member for Etobicoke (Mr. Philip) was speaking. I'm sure he had slid down in his seat.

Mr. Eakins: He is going to enjoy your speech, George.

Mr. McCague: I was interested in the remarks of the hon. member for Brant-Oxford-Norfolk this afternoon regarding federal participation in all products up to the 90 per cent level. While it may be quite true that Mr. Whelan's problem is within his own cabinet, whereas our minister has the complete support of his colleagues, to my knowledge no commodity has been denied support by the federal government. I believe that we should proceed with the bill as presented with the hope and the trust that the government of Canada will do their part. This approach would, in my opinion, show our good faith and lead to positive results.

The NDP approach of mistrust would ultimately lead to confrontation which would be to the benefit of no one.

Mr. Riddell: That's what they thrive on.

Mr. McCague: Ottawa could help the agricultural community just as it has done with the Wheat Board. Why can the same consideration not be given other products? The system of duties and tariffs is out of date—we are dealing in cents per pound or unit whereas in the USA they deal in percentage of selling price. It appears that food and its products are being used as a bargaining tool on rural markets at the expense of Canadian farmers.

Mr. Philip: If the board is so good why don't you fellows put all the grain under it?

Mr. Samis: Wait till Kissinger hears about this.

Mr. McCague: The hon. member for Kent-Elgin (Mr. Spence) spoke of the initial reaction to crop insurance and the reluctance of farmers to even talk about it during the travels of the select committee. While the farm income stabilization bill may not be perfect I am certain it has many positive aspects which deserve the support of this House. If changes are necessary at a later date, I am confident this House will make the adjustments. In my opinion we should never feel that on the passing of bills we are engraving them in stone. We should be men enough to consider and enact changes as necessary.

There has been a lot of chatter about the disappearing food producer. While it is true that the number of farmers is decreasing, the size of family farms is increasing. It is worth noting, Mr. Speaker, that since 1970, the number of agricultural graduates returning to farms has increased each year. As well, many more are returning to the farm after two or three years in agriculturally-oriented jobs.

Mr. Speaker, not long ago I sent out a questionnaire to a thousand people in my riding and had 403 returns. One of the questions I asked was: "The Ontario government has proposed a farm income stabilization programme to protect farmers during periods of low market prices. The programme would set support levels equal to 90 per cent of the market prices for various commodities averaged over the previous five years and adjusted for increases in production costs."

These went to farmers, part-time farmers, urban dwellers and rural residents. Two hundred and thirteen were in favour of such a proposal, one hundred and fifty-eight were opposed, and 32 were undecided. Obviously these people would still support this enhanced programme.

Some of the comments they made were very interesting: "Supply and demand usually determines the price of an agricultural product; subsidy just keeps the inefficient farmer in business." We have heard a lot about further enriched programmes. We all know that the farmers do not want a programme which subsidizes the inefficient, and I concur 100 per cent with them.

Another constituent asks: "What has happened to the old law of supply and demand?" Another says: "Our efforts should be directed towards making farming a viable, competitive and profit-making business without massive intervention by government through grants and subsidies. Controls breed mediocrity and eliminate the incentive to be efficient." I certainly can agree with that.

Another says: "I believe we have a responsibility to the Third World nations that do not produce as much as is consumed. We must share our abundance in non-perishable food crops with those who have not." With this I agree, Mr. Speaker, but the cost of this will have to be shared by the developed countries because it cannot become a burden on the farmer.

Another person comments that: "Labour can buy a steak today for less time worked than at any time in my memory, yet a new clutch and regulator for my Ford 5000 tractor costs me $500. I have absolutely no control on the sale of my livestock, but I have to pay top retail price for anything I buy." I would comment that the person facing high input costs needs this kind of protection against bad years.

The member for Grey (Mr. McKessock) made reference this afternoon to my private member's Bill 162, An Act to Provide for the Designation and Retention of Food Lands. It was suggested that Bill 162 was submitted at the request of the government. Mr. Speaker, nothing could be further from the truth.

I received a copy of the Ontario Institute of Agrologists cabinet submission at the same time as replies to my questionnaire were being returned. I had put questions such as: "Do you support increased municipal control over agricultural land use planning and growth management with overall provincial guidelines?" Two hundred and forty-one said yes, and 140 said no.

"Do you support a system of comprehensive land-use controls based on local official plans and zoning bylaws for all class 1, 2 and 3 agricultural land?" Two hundred and seventy-three said yes and 96 said no.

[8:45]

I repeat again, Mr. Speaker, these replies were received equally from farmers, part-time farmers, urban dwellers and rural residents. The message was clear from the agrologists and my constituents and it simply confirmed my own conviction. Where were the members of the opposition parties? As I understand the procedure, any member can bring in a private bill on any subject not requiring the expenditure of money. Did the members over there not think the subject was important?

The comments of the Leader of the Opposition (Mr. Lewis), which he conveyed to the House, appear in Hansard. His comments were very interesting after hysteria had descended upon him. Just listen to this: "Mr. Lewis: Do you mean you are to freeze the

food lands? On a point of order, Mr. Speaker, this is a Tory freezing agricultural land?"

He's convinced of that but his final comment is the one that's really interesting: "Mr. Lewis: That is exactly what we wanted to do. You hypocrites over there. You got a backbencher to sneak it through."

Mr. Breithaupt: As though the bill was going to be passed anyway.

Mr. McCague: I think we all recognize that it's a private member's bill. The member for York South (Mr. MacDonald) is not a Bay Street farmer; he's a Burnside Drive farmer and he's not the old MacDonald who was referred to on the farm.

Mr. Peterson: Who is writing your jokes?

Mr. McCague: He has contested the fact that the bill can be properly administered by a commission as suggested in the bill.

Mr. Philip: By farmers; it is a good idea to involve farmers.

Mr. McCague: I think everyone in this House is aware that the Farm Products Marketing Board has worked well for the 23 boards under it. The bulk of the people responsible to this board and the Milk Commission are farmers. It is difficult to understand why this bill cannot be suitably administered as set out. I am sure he trusts the minister but maybe he doesn't trust the farmers.

Mr. Deputy Speaker: The hon. member for Timiskaming.

Mr. Bain: Thank you, Mr. Speaker.

Mr. Samis: This speech won't be read.

Mr. Bain: The bill before us this evening, Bill 131, is of great importance to the farm community and the people in general in this province. I'm not surprised that the present government would have the audacity to introduce the bill it did introduce when we stop to consider that this government is the one which removed control of schools from the hands of the rural population as it regionalized the school system in this province.

Hon. W. Newman: What bill are you talking about now?

Mr. Bain: The government across the way is the one which systematically destroyed rural communities with its regional government system, and even still refuses, I hear, to allow a vote of the people in Parry Sound to see whether they want it. Let the people decide.

Mr. Riddell: Is this on the principle of the bill?

Mr. Bain: It's not surprising either that this government—

Mr. Riddell: Nothing in this bill about regional government.

Mr. Bain: —would further wage war on rural communities by closing hospitals and withdrawing ambulance services. Bill 131 is typical of its attitude towards the rural communities. There is no sympathy for the rural community, no understanding and sometimes I wonder if the Tories really care about the rural communities.

Mr. Gordon Hill, president of the Ontario Federation of Agriculture, said in Farm and Country of November 16 this year—

Mr. Philip: If you don't listen to it once maybe you will listen a second, third, a fourth or a hundredth time.

Mr. Bain: —"The bill, as it stands, is of no significance to Ontario farmers. The provincial government does not want to shield farmers from disastrous prices." I agree with him. The Tories don't; they really don't.

If that is their objective, as I believe it is, the bill is going to achieve it. The bill will do absolutely nothing to assist the rural communities of this province.

Let's look at the farmland in this province which is going out of production. One can drive down any concession road and I'm sure every one of us can point to the vacant, empty farms; some of them are no longer being farmed at all. In my relatively short life in comparison to some of the government members who've been in the House for quite some time—

Mr. Godfrey: Too long.

Mr. Bain: It must be—I can go along concession roads in my riding, and there's no one living where 10 years ago there were people. As I said, some of those farms are not being farmed.

Some of the government ministers seem to think there is no farmland in northern Ontario—or as the Minister without Portfolio (Mr. Henderson) said, there were no NDP members who had substantial farm communities; he should know better than to say something like that. Timiskaming—I'm sure

the minister realizes there is an experimental farm and a college of education in New Liskeard, I'm sure he realizes that—Timiskaming has one of the best farming areas in this country and some of the best soil in the world. You can't tell me—

Hon. W. Newman: You can't even tell me what kind of soil it is. Tell me what they call it up there, what do they call it?

Mr. Bain: The best soil is the Earlton series.

Hon. W. Newman: Oh, come on; you don't even know the type of clay soil in the area.

Mr. Bain: I don't want to enumerate for the minister the soil types.

Mr. Nixon: Oh go ahead.

Hon. W. Newman: Well, don't tell me you know all about it then.

Mr. Bain: As I'm sure you realize your own ministry published an excellent map a few years ago with all the soils mapped out in the Englehart-New Liskeard area. I refer you to that in case you haven't read it.

Hon. W. Newman: I know the area well, probably as well as you do.

Mr. Bain: If you know then, you musn't have any sympathy for the rural community. The rural community in Timiskaming is founded on the basis of excellent soil and you can't beat the dairy farmers in Timiskaming, the cow-calf operators—

Mr. Shore: You are the most sympathetic person there is.

Mr. Bain: Thank you very much. I have a great sympathy for you in your particular predicament as well.

The farmers of Timiskaming have—

Interjections.

Mr. Bain: Mr. Speaker, I would hope that the time that's being wasted on interjections by the government side will be deducted from the time that's been allotted to them.

Mr. Maeck: We are happy to do that.

Mr. Bain: I hope so.

Mr. Deputy Speaker: That time wouldn't be near as significant if you'd addressed your remarks through the Chair rather than waving a red flag in front of them.

Mr. Bain: Mr. Speaker. I'd be happy to address my remarks through the Chair, because I'm sure the Chair is more sympathetic to the needs of the farm community than the government is or the Minister of Agriculture and Food.

Mr. Angus: Especially in the north.

Mr. Deputy Speaker: Thank you kindly.

Mr. Bain: Thank you, Mr. Speaker.

As I was saying, the need for a real farm income insurance programme is so great because every day more and more farmers leave the land, not because they want to but because they have no alternative. And most disturbing of all, there are young farmers who should be taking over the farm from their fathers, but I have a number of excellent farms in my riding where the fathers are discouraging their sons from staying on the family farm, the same as my father did every time I used to do a little bit of plowing. My father was not a full-time farmer; he had been raised on a farm—

Mr. Riddell: To think what you might have developed into.

Mr. Bain: —but like so many he couldn't make a living at farming and he worked at other things throughout his life.

Hon. W. Newman: And you didn't stay on the farm, that's what's wrong with you.

Mr. Bain: Like most of us whose roots are in the rural community, he always retained a small farm because he could never get it completely out of his blood. But any time I would be plowing or getting a big kick out of the oats I planted the year—

Hon. W. Newman: Your father was a fine man.

Mr. Bain: —I was in the 4-H Club, he'd always tell me not to get too involved, not to get too excited about farming because he didn't want to see me farming. The same thing is still being said, not by city people, but by farmers to the sons of farmers.

Mr. Shore: You know why, eh?

Mr. Sargent: You tell him, Marvin; you own a farm in downtown London.

Mr. Bain: They're not on marginal farms, they're on excellent full-time farms; some of them worth well over half a million dollars, but not in a real sense because the farmer doesn't receive a return. The farm income stabilization bill—

Mr. Riddell: Did your father want to see you become a socialist? I bet you hurt his feelings.

Mr. Deputy Speaker: The hon. member for Huron-Middlesex has had his fling for this debate.

Mr. Samis: Same fling tomorrow.

Mr. Bain: Although I don't want to belabour the point, Mr. Speaker there has been some discussion of free enterprise, this has been bandied around quite a bit. Free enterprise seems to be defined as handouts for the wealthy corporations and nothing for the rest of us, not even a decent system of farm income stabilization.

On the bill itself: That 95 per cent, that's what we're going to give the farmers is it? Ninety-five per cent as a stabilization price; and this 95 per cent is a five-year average price suggested for cash cost changes. The federal bill already provides 90, and so the minister is saying that the farmers of this province, as far as he is concerned, are worth a measly five per cent.

The commission: Five people appointed by the government and responsible to the government, not responsible to the farmers. That is one thing that absolutely has to be changed. The commission—

Hon. W. Newman: And nobody said it would be?

Mr. Philip: How would you like to negotiate?

Mr. Bain: I'm sure the minister will have his chance and that he will be allotted more time than I have been.

But even if you tamper with the commission a little bit, I would suggest—and this is one of the fundamental things in our reasoned amendment—I would suggest that negotiations take place. You don't merely tamper with the commission, you have the farm community and their organizations negotiate with the government. Also, and this is a point for the member for Huron-Middlesex, a commodity group or a particular group of farmers may not want a support price at all; and that's fine. They may feel that any support price would encourage overproduction and they as a group may not want a support price.

I am really surprised that the Liberals would turn this kind of legislation loose in this province. There are also supposed to be inspectors appointed by the minister. I can imagine these bureaucrats—Bill's bureaucrats—running all over the province inspecting things. That's the last thing the farmers need.

Hon. W. Newman: Not with my bill; but yours, yes.

Mr. Bain: That's the last thing they need. There is only going to be one saving grace for the farmers. These bureaucrats are only going to work during normal working hours so the farmer won't see them too long anyway. Most farmers will be working long after the bureaucrats have gone.

I do not want farm income stabilization administered by the government and I don't want it administered by bureaucrats. I want it administered by the farmers.

Mr. Shore: By the NDP, right?

Mr. Bain: That is the only way that you're going to have a decent programme. I don't care what the basic substance of the programme is, you're not going to have a decent programme until you have the farmers running it.

Mr. Shore: You will administer it.

Mr. Bain: I'll just point to one thing. I wrote the minister a letter dealing with the problem of the minister not allowing farmers' wives to be considered full partners for the capital grants. I sent the letter, dated June 10, and it probably left that day or a day or so later. I got an answer on November 8. It was dated in the minister's office October 29. June, July, August, September, October; now if that's efficiency for something as simple as an answer to a letter—

Mr. Deputy Speaker: That has nothing to do with the principle of this bill.

Mr. Bain: I would hate to see those same bureaucrats running the farm stabilization.

Hon. W. Newman: Why don't you talk to the member for Peterborough (Ms. Sandeman)? She could have told you the answer.

Mr. Bain: I know the answer. You told her the answer in the House and the answer was simply that you don't consider the work of the women on farm significant enough.

Hon. W. Newman: Mr. Speaker, on a point of order.

Mr. Deputy Speaker: Point of order.

Hon. W. Newman: Mr. Speaker, that's a very unfair, untrue statement and he should withdraw that statement. I answered that question in the House yesterday.

Mr. Deputy Speaker: I approve the withdrawal of that statement.

Mr. Bain: Mr. Speaker, may I continue?

Hon. W. Newman: Is he going to withdraw it?

Mr. Deputy Speaker: The minister has said that the member for Timiskaming has made an untrue statement. Is it untrue?

Mr. Bain: I don't think it's untrue. What was untrue in my statement?

Mr. Deputy Speaker: I don't think the minister can make that statement.

Hon. W. Newman: Mr. Speaker, I answered a question for the member for Peterborough yesterday as far as capital grants were concerned. I explained the situation to her yesterday, and the hon. member stands up and says—I've forgotten exactly what he did say—but in effect he said I ignored the women who are working on the farms and that is not true. And he had better retract that statement. Thank you, Mr. Speaker.

Mr. Deputy Speaker: Obviously it's nothing more than a difference of opinion—

Hon. W. Newman: Oh, come on.

Mr. Deputy Speaker: —but the minister cannot accuse another member of making an untrue statement. You're going to have to withdraw.

[9:00]

Some hon. members: Oh, oh.

Hon. W. Newman: Mr. Speaker, I don't want to get into an argument tonight with you or anyone else—

Mr. Deputy Speaker: You are not going to get into an argument with me. You are going to withdraw the accusation.

Interjections.

Mr. Deputy Speaker: I am waiting for the minister to withdraw the accusation.

Hon. W. Newman: I withdraw the accusation, Mr. Speaker—

Mr. Deputy Speaker: Fine.

Hon. W. Newman: —but, on a point of personal privilege, I would ask you to read the Hansard record for tonight and make your decision known to this House as to exactly what was said here tonight. I think it is very important, Mr. Speaker. Could I please have your assurance that you will do that?

Mr. Deputy Speaker: My only interest at this time is that you not accuse another member of making an untrue statement.

Mr. Good: Only the Premier (Mr. Davis) can do that and get away with it.

Mr. Deputy Speaker: I'll go over the record but that wasn't my understanding of what was said here just now.

Hon. Mr. Taylor: On a point of order, Mr. Speaker. I don't think there was any suggestion to any member on the part of the Minister of Agriculture and Food that that member was misleading the House.

Mr. Samis: He said it was an untrue statement.

Hon. Mr. Taylor: There was no accusation that the Minister of Agriculture and Food was misleading the House.

Mr. Deputy Speaker: There was no suggestion that anybody was misleading the House. The minister clearly said that the member for Timiskaming (Mr. Bain) made an untrue statement.

Hon. Mr. Taylor: He did.

Hon. W. Newman: He did. That's why I asked you to look at it.

Some hon. members: Name him, name him.

Mr. Deputy Speaker: The hon. member for Timiskaming will please continue uninterrupted and address his remarks through the Chair.

Mr. Bain: Thank you, Mr. Speaker. I won't deal with the other items in the bill at too great a length. We do admit that the bill is contributory—that was one of our original points—and it is voluntary; sure it is. But it doesn't make any difference whether the bill is voluntary and contributory if the real result of the bill is not to give the farmer a decent income. Five per cent, I think, totally negates any contributory or voluntary aspect. That's why we come back again to the negotiating part, which we feel is so essential.

I would remind the Liberals of their amendment to our reasoned amendment in the spring. Although we meant to say it, we never really put "negotiating" in our amendment; it was the Liberals who drew this to

our attention and were kind enough to put in the words, "negotiating with legally constituted farm spokesmen." I do not call the kinds of meetings that the minister had across the province on October 4 negotiating with anybody. That is one of the key things, I think.

Mr. Godfrey: Just playing around.

Mr. Bain: The "cash cost" thing is very interesting. What I find most objectionable is that farm family labour will not be considered as a cost input. The minister can tell me whatever he wants, but I don't see how he considers family farm labour to be important if he won't allow it as a cost. What the minister is saying is that farmers should expect to work for nothing.

If the cow-calf programme were under this bill, I hate to think of the consequences. We have already had a number of speakers mention that instead of getting $22.5 million, the cow-calf operators would have got about $2 million. That just is not good enough. There are a lot of things in something like this that come to one's mind.

The provincial government—and I quote again from Mr. Hill; I will read an excerpt from something he said in his column on April 27 in Farm and Country:

"While other provincial governments fostered agricultural development Ontario focused on industrial development. The captains of industry had the government's ear and funds were shovelled into the cities. Farmers had to be satisfied with the hind teats."

I would only like to add that that is not good enough and that it is still the government's policy, as far as I can see. Since the minister has a farm background, I am sure he will appreciate that my parents-in-law once had a sow with seven teats. The minister, as a farmer, knows what use that was. It was the same use as his bill. His bill is about as useless as a sow with seven teats, and he should do the same to his bill as my parents-in-law did with that sow—they killed it.

Interjections.

Mr. Bain: Mr. Speaker, I will conclude by saying that Bill 131 is totally ineffectual. It will do nothing for farmers in this province.

Hon. Mr. Taylor: That's unparliamentary language.

Interjections.

Mr. Bain: The farm community is too important in this province to be sold a bill of goods such as this. This bill may be good enough for some of the minister's colleagues in this House but it's not good enough for the farmers. I defy him to try to sell that bill to the farmers of this province, in the sales barns of this province.

Mr. Shore: For your parents-in-law—

Interjections.

Mr. G. I. Miller: Mr. Speaker, it certainly is a privilege for me to stand up and speak to Bill 131—

Mr. Sweeney: Here's a real farmer talking.

Mr. G. I. Miller: —which I feel is going to be an asset for the agricultural industry of Ontario. I'd like to point out that food is the absolute No. 1 priority in sustaining life and it is something which everyone needs, regardless of station, on a more or less equal basis.

Mr. MacDonald: No kidding.

Mr. G. I. Miller: Before I get to the bill, I'd like to bring to members' attention and to the attention of the Minister of Agriculture and Food a few things which concern me as far as agriculture is concerned in Ontario. I think we have a tremendous amount of ability to produce food. We have the people who would like to do it but we don't seem to be competing in the markets as well as we might.

In the estimates last spring, I asked a few questions and I found that Ontario is exporting something like $599 million worth of produce a year and importing $935 million dollars worth of produce. Import values exceeded export values by 56 per cent in 1973. In 1974 we exported $666 million worth of food and imported $1.183 billion worth of food, which means we imported 78 per cent more than we exported. That has to be of real concern to me as a farmer and I ask myself why this has to happen.

Perhaps it is the leadership we've had from the Conservative government over the past few years. As a member of the Liberal caucus I feel it's our responsibility in a minority government to provide some constructive criticism. In Ontario, the decline in farm land used for food production is directly linked to the uncertain prospects for adequate farm incomes. Farming does not bring returns on land as great as almost any urban or industrial use.

Net farm income last year in Ontario dropped 2.7 per cent and in 1976 in Ontario there will be a further decline of 10 per cent. I don't know what other part or segment of society has to contend with a drop in income in this age of inflation. As a matter of fact, the Department of Agriculture for Canada predicts that up to a 25 per cent drop in net farm income this year across Canada is a possibility.

I think members can see there certainly has to be some effort put forth to take the ups and downs out of producing the agriculture produce we have to sell.

If we look at the beef industry this year, I think it is at perhaps depression prices. Good beef was down as low as 38 cents and much lower even than that. When wages are anywhere from $7 to $10 to $12 an hour in many instances I think it is incredible that we can allow our beef industry to suffer to this extent.

I noticed, too, as the corn harvest came off that the price of corn today, I believe, is $2. By the time we pay perhaps 50 cents for drying, we'll end up with $1.50 and again the farmer is at the mercy of the market. I think this government and this House has a responsibility to provide some stability.

It was brought to my attention recently, too, by one of our members, that one of our Canadian representatives at the United Nations made this statement:

"The developing countries were warned in the UN yesterday that mass starvation could occur in some parts of the world as early as 1985 if they did not quickly move to increase their food production. Geoffrey Bruce, Canada's deputy permanent representative to the UN, told the economic committee that it has become clear that the current increase in population is outpacing the increase in food production in the Third World and Canada has made huge amounts of food available for the struggle against hunger, contributing more than $100 million alone this year." I think that indicates agriculture will come into its own. I think we have to protect it. I think we have to show some leadership.

There was another concern of mine this year when the grape crop was harvested. About 5,000 tons of grapes grown in the Niagara peninsula this year will be without markets, according to Keith Matthie, secretary manager of the Ontario Grape Growers Marketing Board. He said: "Losses will be incurred despite assistance by the board and the provincial and federal governments."

It just points out further that we have to show some leadership. It is too bad to have these farm products going to waste when we can produce them. I think we also have to send a challenge to our producers that we have to be competitive. And not only has the farmer to be competitive, I think all aspects of the industry in general have to be competitive. We can't ask our farmers to work from 7 a.m. to 7.30 p.m. I was just thinking when I was sitting here tonight that my two boys were harvesting the corn this year. They got their crop off in good shape but they are at the mercy of the markets through their corn crops. They get up at 6.30 in the morning, and work through to 7 o'clock at night. They have their fun as they go along but it's not an easy life on the farm, and I think that we have to take this into consideration.

I think we have to have strong spokesmen here at Queen's Park and at Ottawa to speak up on their behalf. I had the right to have the free enterprise system; I had the right to build my home; I worked hard and I got repaid for it. I think we have to think about this for our young farmers. Give them the opportunity and they will do the job for us.

I know there is some concern in this farm bill at what it is going to cost the province. I think it has been estimated that it is possible the cost could be $60 million to $70 million. I don't think we can come up with an exact figure, but I did a little calculating this afternoon. As I look at the agricultural budget, I think something like $171 million is being spent in 1976-77, out of a total expenditure for the province of Ontario of $12,576 million. I think that points out that 1.359 per cent of our total budget goes toward assisting agriculture in all its aspects. I think that's a pretty small price to pay for such an important commodity, and I think we have to consider that.

I know a lot of farmers don't want handouts. I didn't want a handout and we never received one, with the exception we were able to borrow money at a lesser rate. We did have some tax advantages. I think we can still come up, in Bill 131, with the same type of protection under the free enterprise system.

When the bill was first brought in back in June and we couldn't agree to it, I think it wasn't giving enough coverage to enough produce. Of course, we sent it back. But during the summer months we met with many farm organizations—by "we" I mean the Liberal caucus—because we wanted to be responsible and come in with what the

people felt they needed, the people in the farming communities, the farm organizations.

[9:15]

We met with all the organizations over the summer, and again, I would like to just make a comment that the Federation of Agriculture, which represents the largest segment of the agriculture industry, indicated back in June that it was almost of no potential benefit to the Ontario farmers and they couldn't accept it. The farmers' union, we discussed it with them; I think it wasn't acceptable to them. The Christian Farmer's Union; I think they are the most free enterprise group of any of the organizations and they couldn't accept it.

So after deliberating and trying to have concrete and good proposals and suggestions for the Minister of Agriculture and Food to bring into this bill, we came up with a recommendation that a programme for commodities would be developed if the majority of producers and the community gave them support. I think we want to have these farm organizations very much involved. Whether it's the milk board, or the beef producers, I think we have to go to each individual organization and they should have a lot of input. I think it has to be on a voluntary basis and I think the controls have to be set up in such a way that we don't encourage overproduction and there should be protection against the bottom falling out of the market—those ups and down should be taken out of it.

I think this bill will do it. We don't know exactly what affect it will have, but the only way we're really going to find out is to get it into action, so consequently I hope that we can come up with a satisfactory solution for it in Bill 131, and I hope the minister will listen to the input that we would like to have, because it's constructive.

Again it's a privilege to have an opportunity to speak on this bill and I just hope that it does the job. I might point out too that I took a survey during the last summer before I closed for the farmers who were in favour. It was strictly a question to the farmers in my riding and the replies that I got back indicated that 42 per cent were in favour, 42 per cent were in doubt and 16 per cent had no opinion. But I think it indicates that the farmers really don't understand it. If it can keep young farmers coming on, if it can keep the free enterprise system working to the best degree it can work under the system today, I think we've accomplished much and I think this is the goal we want to strive towards.

Mr. Eaton: I'd like to rise and just say a few quick words in support of this legislation and in opposition to the amendment put forth by the opposition parties.

In rising to speak to this bill I have to say I was sorry that I missed the debate on Tuesday night. But, however, I was out where there were a group of some 300 farmers and I'm sure that I got much more out of that than listening to some of the drivel that was coming from the opposition parties.

Mr. Sargent: I'll bet the farmers didn't though.

Mr. Eaton: I think that in reading the letter that was put in by the member for Huron-Middlesex—

Mr. Sweeney: Get the shovel out. It's starting to pile up around you. Get the shovel.

Interjections.

Mr. Eaton: In reading the letter that was put in by the member for Huron-Middlesex, it said a lot.

Interjection.

Mr. MacDonald: Your embracing of the Liberals is obscene.

Mr. Eaton: And in reading it I knew exactly where it came from, because I had a copy of it; it came from a neighbour of mine. It came from a neighbour who came to this country and in our free enterprise system had the opportunity to work and build a family farm for himself. You know, when the member for Etobicoke pooh-poohed that letter, he was pooh-poohing an opportunity that those people appreciated. They were simply pointing out that they appreciated that opportunity and they hoped that people would continue to have that opportunity in this province.

Mr. Philip: You lack leadership in explaining to them the real farm issues.

Mr. Deputy Speaker: The hon. member for Etobicoke does not have the floor.

Mr. Shore: You'll straighten them out, Ed; you'll take care of them.

Mr. Eaton: You know, the member for Etobicoke—

Mr. Shore: You'll be all right, Ed.

Mr. Eaton: —was pointing out a number of things in his great experience with the Federation of Agriculture—

Mr. Shore: That's right.

Mr. Eaton: —I met a couple of people who were members of the federation and knew him who said they were glad he was elected here because they got rid of him.

Interjections.

Mr. MacDonald: Would you like me to tell you what some people have said about your role in the federation?

Mr. Eaton: And you know, the member for Etobicoke made another statement—

Interjections.

Mr. Eaton: The member for Etobicoke made another statement that I would like to have him place on the record. He indicated—

Mr. Ferris: One more election and the bean growers will have you back. They deserve you.

Mr. Eaton: He indicated—

Mr. Ferris: They're going to get you next time.

Mr. Eaton: —that someone in this province—

Mr. Deputy Speaker: Will the member for London South try to cool it?

Mr. Eaton: He indicated that a producer in this province paid a premium to the crop insurance commission and then was told that he couldn't collect on it because he didn't have enough income. I challenge the member to place the name of that man and his situation in this House so that it can be checked into with the crop insurance commission.

Mr. Philip: Be glad to.

Mr. Lane: He's always making those insinuations. He can't back them up.

Mr. MacDonald: He's a responsible member.

Mr. Eaton: I'd like to refer a little bit more to that letter that came in, because I think it represents the views of many producers in this province.

You know, there was an indication that the views expressed at the meetings across this province represented the total view. Well, I'll tell you, at the meeting I went to there were about 65 or 70 farmers from five or six counties. I was on more farms in my riding this summer than there were farmers at that meeting—in fact about three times as many—and I'll tell you they weren't buying the kind of stabilization programme that the socialists would propose in this province.

They said they didn't want a programme that would give incentives, that would lead to supply management and control by the government as the NDP plan would require.

Mr. MacDonald: They don't need to have it if they don't want it. It is voluntary.

Mr. Eaton: You know, the opposition is indicating that they're listening to the farmers out there. I'll challenge the NDP to visit as many farms as I've been on or the member for Etobicoke who was with the federation.

Mr. Philip: I have visited more farms than you ever have.

Mr. Eaton: I tell you I've probably been on more farms in southwestern Ontario than all of them put together.

Mr. MacDonald: I've been on more farms than you'll ever get to.

Mr. Eaton: And you're not expressing the views of the producers when you express some of the things that you were saying.

Mr. Ferris: Half of your people didn't vote for you.

Mr. Eaton: The member for Cornwall went to great extremes to indicate how fewer farms were operating in his area, but he never indicated the increase in production that we have in this province. That increase in production came about from the family farms that he was pooh-poohing, from the family farms which had the initiative and incentive to go ahead and do a job to build their farms and make agriculture strong as it is in this province.

Mr. Samis: Did you listen to your colleague from Stormont-Dundas-Glengarry?

Mr. Eaton: You know, Mr. MacDonald does a disservice to agriculture when he puts out a statement saying that roughly half the farms in this province are on the verge of bankruptcy.

Mr. Shore: Who said that?

Mr. MacDonald: Who says?

Mr. Eaton: A quote right from the member.

Mr. MacDonald: Where, Mr. Speaker? Would the member identify that, please?

Mr. Eaton: That's a release for the press, after your statements downstairs when you were talking about the farm income stabilization plan.

Mr. MacDonald: I never made such a statement.

An hon. member: Shame, Donald. Shame.

Mr. Eaton: I'll send you over a copy. It's there. It was in the press.

Mr. MacDonald: I never made such a statement.

Mr. Eaton: I'll read it: "Donald MacDonald, NDP agriculture critic, said roughly half the farmers in the province are on the verge of bankruptcy. He said 40 per cent of Ontario farmers left farming in the last 10 years and of those remaining, more than 50 per cent are only part-timers."

Mr. MacDonald: That's right.

Mr. Wiseman: Oh, now you're changing your mind.

Mr. MacDonald: Mr. Speaker, on a point of privilege or on a point of correction. I didn't say they were on the verge of bankruptcy. I said they couldn't make a living on the farms, therefore they were part-time farmers.

Mr. Eaton: That's not the way the statement reads.

Mr. MacDonald: The newspaperman said that. The latter part is the same and I stand by it.

Mr. Eaton: But anyway, just go on about that statement. What's wrong with the part-time farmers? Many of the people that want to get into it get in the way.

Mr. MacDonald: Because they'd like to do it full-time but they can't afford it.

Mr. Eaton: Many get in that way. And when they bring in legislation such as they are proposing in their amendments, then they're eliminating those people because they're going to have such strict controls—

Mr. MacDonald: Nonsense. How?

Mr. Eaton: —to support the kind of programme they're talking about that the farmers won't be able to get into it.

Mr. MacDonald: How are we eliminating them? It is voluntary and they don't need to come in.

Mr. Shore: You have been snowed.

Mr. Eaton: I think we can go a little farther. They keep talking about how much money it means. It is going to be $70 million and it should be $140 million. Why do they always have to think about how much money they're going to spend on the programme? The programme would be the greatest success if it was at that support level and never used because that would mean the prices are going to be much higher and the money would be much better spent in other programmes we have, such as our tile drainage programme which is putting strength into agriculture through capital investment.

Mr. MacDonald: Why are you trying to kid the public about your $70 million?

Mr. Peterson: Are you having another study on that?

Mr. Samis: Tell us about the $160 million.

Mr. Deputy Speaker: Order, please. The hon. member for Middlesex will continue.

Mr. Peterson: He is doing so poorly, though, Mr. Speaker.

Mr. Eaton: They referred quite frequently to our marketing legislation brought in in 1942. I think we can be proud of that marketing legislation. Much of it has been used by our producers to get themselves a price in the marketplace. That's the way it should be. The opportunity is there for producers who want to work together to make use of that legislation to get their money out of the marketplace.

Mr. Laughren: The minister doesn't want to hear this.

Mr. Eaton: I think they're trying to play two sides of it because in that same statement he goes on to say, "I have no idea what the Liberals will do. The NDP considers this issue—"

Mr. Ferris: You should have written him a better speech.

Mr. Peterson: He will never take the minister's job; he has nothing to worry about.

Mr. Eaton: "—of stable farm community and preservation of agriculture land, with the implications for food prices, as a very powerful urban issue." Urban issue? Maybe

they've realized that it's not such a great issue in the rural parts. Maybe they feel that by coming in with a subsidy they can keep the food prices down—

Mr. Philip: How come you are not attacking the OFA tonight? Where is your OFA speech?

Mr. MacDonald: We don't talk differently in the rural areas.

Mr. Eaton: —and end up subsidizing the farmers at a level which just gives them a bare income. That's about what will happen with the kind of amendments they're proposing.

Mr. Wiseman: They talk out of both sides of their mouths.

Mr. Wildman: That is what you are doing.

Mr. Philip: Where is your anti-OFA speech tonight?

Mr. Eaton: I think we have to put this legislation through the way it is and give it an opportunity to work. I don't think we can stand by and say that farmers are going bankrupt, there's no interest, no one will go into farming, and that the farm community is in a poor state. The interest in farming, the interest of people going to agricultural colleges is the highest it has ever been.

I had the opportunity on Saturday night to be with some of my former classmates from 20 years ago at ag school; some from the class of 15 years ago, 10 years ago, and five years ago. They weren't talking gloom in agriculture because they had gone out and worked hard to make their way in it and felt they were doing quite well. I think the members really do them a disservice. I think the opportunity should be there for the free enterprise system—

Mr. Samis: Did you hear the speech of the member for Stormont-Dundas-Glengarry?

Mr. Eaton: —for the individual who wants to get started.

Mr. Mackenzie: He did the retraining?

Mr. Eaton: I think I can refer to may own situation—the member for Brant-Oxford-Norfolk referred to his in the same way.

Mr. Shore: Why don't you organize him?

Mr. Eaton: I came out of school with money owing on my schooling and worked a couple of years to get a down payment on a farm.

Mr. Peterson: You don't have to pay to go to grade 2.

Mr. Acting Speaker: Order please.

Mr. Eaton: I was able to work and have my own place because I had the opportunity to enter that market and work. I think we have a bill which can put some guarantee under there. It won't make a profit for people; it won't guarantee the farmer a profit and cause over-production, or cause incentives which will lead to state control such as some people in the House, in the opposition, would promote.

Mr. MacDonald: Nonsense.

Mr. Eakins: Mr. Speaker, I consider it a pleasure and a privilege to be able to rise and partake briefly in this debate tonight and to bring members some of the viewpoints of the farm people of the great riding of Victoria and Haliburton county.

Mr. Nixon: Is that Mr. Frost's old riding?

Mr. Eakins: I live in the rural township of Ops and have only three acres and a horse. It doesn't constitute, I suppose, much of an authority to make the minister sit up and listen.

Mr. Peterson: Which end of the horse do you have?

[9:30]

Mr. Eakins: But it is three acres more than my friends' to the right.

Mr. Shore: They have more horses than you do.

Mr. Eakins: I am sure, Mr. Speaker, that I need to say very little following the very excellent presentation to this House by my colleagues and spokesmen for our party, the hon. member for Huron-Middlesex and the hon. member for Brant-Oxford-Norfolk.

Mr. Bain: What about the hon. member for Grey?

Mr. Acting Speaker: Order, please. The hon. member for Victoria-Haliburton has the floor. Would you give him the courtesy of listening to him?

Mr. Eakins: I am sure, Mr. Speaker, that the hon. member who follows me will give the members to the right a lesson in agriculture.

Mr. Nixon: Knee deep.

Mr. Makarchuk: No doubt about it, he has been hiding it out for a long time.

Mr. Eakins: I am very pleased, Mr. Speaker, to rise to support Bill 131 on second reading, because we believe in the principle of the bill. Last June we asked that the original bill be referred back to the government to have incorporated therein the principles of a farm income stabilization plan which would be open to the producers of all farm products on a voluntary and contributory basis, with the government negotiating with legally-constituted farm spokesmen—

Mr. Bain: What negotiations have ever taken place?

Mr. MacDonald: How are they going to do that?

Mr. Eakins: —and with assurance that the government provide a public forum for full discussion with the farm community before reintroduction of the bill. As far as we are concerned, the government in most ways has met these demands. The government has consulted with the farm people, though I must say that the meeting I attended in Campbellford was a very hastily arranged meeting and not as many farmers were present as should have been, but at least there was some opportunity for consultation.

Mr. Bain: It was a sop.

Mr. Eakins: The government has set up a plan on a voluntary contributory basis. There is provision in the bill where the commission that has been established can consult with the producer organizations and the producers themselves in order to arrive at a stabilized price. I feel it would be irresponsible for the members to oppose a bill where the demands have actually been met. We are not saying that we don't have some misgivings about the bill, but we support in principle what the government has done.

We are prepared to bring in some amendments when the bill goes into committee, but I am sure they will be amendments the minister is already familiar with. He has received word from some of the farm organizations as to what they think should be incorporated in this bill. The various farm organizations are prepared to support this bill if some of the amendments are made that we feel should be made.

Mr. MacDonald: It is not the Farmers' Union bill.

Mr. Eakins: I think it would be interesting, Mr. Speaker, to quote a summary of the young farmers' conference which was held at the Prince Hotel in Toronto on March 8. I just want to quote from their report on income stabilization.

Mr. Samis: That was an expensive affair.

Mr. Eakins: Delegates strongly endorsed that the agricultural industry should be in strong and healthy economic condition so that the individual producer can derive a satisfactory income by applying sound management practices to his own farm operation. Efficient producers should be able to derive a satisfactory income from the market and protection should not be provided for inefficient producers. Stabilization of farm income or provision of a guaranteed income was rejected. In fact, the majority supported the position of asking government to stop planning any further income stabilization programmes.

Mr. Wildman: Are you going to vote against this bill? Why are you going to vote for it?

Mr. Eakins: However, programmes now being used by marketing boards to provide price stability to some commodities were quite acceptable. There was also some support for voluntary, farmer-controlled programmes that would attempt to level out price cycles by collecting revenue from farmers when prices are high and returning it to them when prices are low. I think it is important to hear the different views of the people across this province.

Mr. Speaker, in connection with the constitution of the commission, we do not feel it should be just appointees by the Lieutenant Governor, but that farm organizations in Ontario should be able to appoint directly to this commission so that we can be assured that we do have farmer representatives on that board.

Another amendment we would like to see is in connection with indexing. When establishing a stabilized price the bill refers to cash costs. We feel that cost of production should include hired labour costs and interest on operating capital in order to carry out the farming operation. In most cases that leaves very little for the farmer's own labour. We feel that more actual costs of production should be taken into consideration.

Mr. Acting Speaker: Order, please. There is altogether too much noise in the Legislature. Would you kindly listen to the member for Victoria-Haliburton?

Mr. Peterson: It's from that side.

Mr. Eakins: Yes, I agree, Mr. Speaker. We also feel the bill should require the commission to consult with the producer organizations or the commodity boards when arriving at a stabilized price for a particular commodity. It would be very difficult for a commission to arrive at a stabilized price if it does not know anything about the commodity to begin with; so where the bill indicates they may consult, we feel that they must consult with the various commodity boards.

I appreciate the opportunity of briefly taking part in this debate this evening.

Mr. Angus: It is with great interest and concern that I rise to debate Bill 131, An Act respecting Farm Income Stabilization. Before I go into the principles of the bill and before dealing with the reasoned amendment, I wish to make it clear to the members here tonight that I am not now, nor ever have been, a farmer. I say, respectfully, that that is my loss.

Mr. Peterson: It makes you very qualified to speak. Keep it up and you might become the agricultural critic.

Mr. Angus: But since my election to this Legislature, I have become aware of the serious problems facing the farm community, particularly in my riding, in the riding of Port Arthur, in the riding of Lake Nipigon, in the riding of Algoma and in a number of other northern ridings as well as the province in general. I began to learn as much as I could about the farm community and reacted to their problems by trying to do what I could to make their life on those farms a little more bearable.

I'd like to suggest, respectfully, that the farmers of Ontario will not get a fair deal from this minister or from this government. I cite as an excellent example the delayed actions of this government in coming to the aid of the farm community in northwestern Ontario during the hay shortage this past year. I hope to elaborate further in my remarks, depending on the length of time, but as I am the windup speaker for the New Democratic Party, I would like to read once again the reasoned amendment that is before us. The reasoned amendment, moved by the member for York South (Mr. MacDonald) and seconded by my northern colleague, the member for Algoma (Mr. Wildman), reads as follows:

"That Bill 131, An Act respecting Farm Income Stabilization, be not now read a second time but referred back to the government with instruction to incorporate therein

(1) a formal role for farmers generally and commodity organizations in the development of and the determination of the terms and conditions of any plan requested by a group of producers;

(2) a comprehensive coverage for all Ontario commodities which will provide full support up to the negotiated stabilized level irrespective of the actions of the federal government; and

(3) a provision for current costs of production to be reflected in the final stabilization price or prices under any plan, with the revised bill to be reintroduced in the Legislature no later than December 1, 1976."

We take this reasoned amendment very seriously, just as we took the reasoned amendment of last June very seriously and which, I might add, as the Liberal Party took quite seriously as well.

It seems to me that the Liberals weren't able to negotiate a cosy, no-confidence motion this time around; so they are assisting this government in making this bill almost totally ineffectual.

Mr. Ferris: Come on, be serious.

Mr. Angus: The reasoned amendment, as amended by the excellent addition by the Liberal Party and passed in this House, gave us the outcome that the government was instructed—and I read from Hansard of June 15—"that Bill 96, An Act respecting Farm Income Stabilization, be not now read a second time but be referred back to the government to have incorporated therein principles of a farm income protection plan which will be open to the producers of all farm products on a voluntary and contributory basis, with the government negotiating with legally constituted farm spokesmen;—"

Mr. Wildman: Negotiate!

Mr. Angus: "—and with assurance that the government provide a public forum for full discussion with the farm community before reintroduction of the bill; and that the bill be reintroduced no later than October 31, 1976."

The principles of this bill before us are not those that the government was directed by this Legislature to return with. The line "which will be open to producers of all farm products on a voluntary and contributory basis," is an important one to note; and I emphasize the word in there, "all", Mr. Speaker. The assumption that everyone had is that all commodities would be covered in

the same way, not some at five per cent and some at 95 per cent.

Another line: "With the government negotiating with legally constituted farm spokesmen." I don't know what the minister's idea of farm spokesmen is, but let me tell you, Mr. Speaker, I don't believe, and neither does my party believe, that Tory appointees will be legally constituted farm spokesmen. They should be individuals selected by the general farm organizations and the commodity groups, who express an interest to proceed with the development of a farm income stabilization programme.

My colleague, the member for York South referred in his lead-off to the government-appointed bureaucracy that would administer this non-programme. Let me tell you, Mr. Speaker, no true farmer could botch up a programme like these bureaucrats in his ministry can. The farmers who are directly affected must have a say, or are you just looking for another Ontario "senate" seat where you can appoint yet another former cabinet minister? The minister's past actions give us cause to concern ourselves with the type of people that he would appoint.

Mr. Speaker, I realize the minister has indicated to this House in previous discussions that he is entertaining a possible change, but I will be honest with you sir, I do not have the confidence that his colleagues have in him.

Mr. Shore: That's what happens.

Mr. Angus: It is important, Mr. Speaker, that I quickly elaborate on a situation that occurred, and is still occurring in Thunder Bay, relating to the farm community and relating to the principle of this bill because it relates to the survival of farmers.

The members of this House are aware of the hay shortage and the problems of the drought situation in Thunder Bay, and how this government, was slow to react; not, I will grant as slow as the federal government, but slow to react to the needs of the farm community in Thunder Bay. Because of that situation, all sorts of damaging effects occurred.

The only reason the federal government finally came through with any funds was because the federal member from Port Arthur was appointed chairman of Treasury Board and didn't have much choice, other than losing what few farm votes he still had.

Mr. Speaker, the farmers in Thunder Bay are in trouble. They have had to import hay. They are running out of hay now. They can't get it at proper, reasonable prices. That in turn is redirected to their cost of production. They are bringing in hay now at $100 a ton. The cost to the farmer is $50 because there is a $25 donation from the federal government and $25 from the provincial government, but it doesn't go all the way.

There is a situation where theoretically there was an agreement to provide for quick, easy, large-quantity haulage from the province of Manitoba. We are not sure where the agreement came from, Mr. Speaker, but obviously this minister had a role in it, and the Minister of Transportation and Communications (Mr. Snow) had a role in it and it's a fiasco.

Mr. Acting Speaker: Order, please. Would the hon. member return to the principle of this bill instead of other policies?

Mr. Angus: Mr. Speaker, I pointed out—

Hon. Mr. Davis: It would be a great idea. I know you don't understand the principle, but return to it.

Mr. Angus: There is no principle to your bill.

Mr. Acting Speaker: Order, please. The hon. member will continue.

Mr. Sweeney: There's another farmer in the House.

Hon. Mr. Davis: I'll tell you I have a lot more in my riding than you have.

Mr. Acting Speaker: Order, please. The hon. member for Fort William will continue.

Mr. Angus: Thank you, Mr. Speaker. The concern that this party has about the willingness of this government to rely on a federal minister, on a verbal commitment, that as we have said before is not worth the paper it is written on, because there is no written agreement—

Mr. Gaunt: You fellows don't trust anybody.

Mr. Angus: Especially Liberals.

Mr. Riddell: I don't think you trust yourself.

Hon. W. Newman: Do you blame them?

Mr. Angus: Oh, I do, I do.

Mr. Acting Speaker: Order please.

Mr. Riddell: It's written on paper. I'll tell you that.

Mr. Acting Speaker: Order, please. The hon. member will continue.

Mr. MacKenzie: One follows the other.

[9:45]

Mr. Angus: Thank you, Mr. Speaker, I needed that break for a glass of water.

Mr. Speaker, this bill provides for the plan to be contributory. It also states that if a commodity gets low enough, then the federal minister will name it. In others words in a bad year, when the farmers have already suffered a loss, the commodity will be named and then they would have an opportunity to contribute.

Now I say it this way, Mr. Speaker, that the farmers I know have too few pennies to waste on insurance premiums which will only return them five per cent.

Mr. Ferris: Is that both of them?

Mr. Angus: As it stands now the farmers will be in a loss position before it will be appropriate for them to participate.

The president of the Ontario Federation of Agriculture stated, and I quote: "Why would producers of any commodity bother to develop a plan that would insure only five per cent of the producer's five-year average price? If a plan were developed, why would any farmer bother to enrol in it, considering the meager protection it would provide?"

Would it not be better, Mr. Speaker, if all the commodities were named for the Ontario plan, and then the commodity groups could democratically decide to opt in? If they felt there was a problem, they would decide. That's what we believe should be done with this bill.

Mr. MacDonald: That would be comprehensive.

Mr. Angus: Mr. Speaker, comments have been made about the income situation of farmers, particularly in relation to cash costs. I quote from my colleague the member for York South: "I understand that those are the cash costs that are listed in the federal legislation, and which this government has accepted totally. . . .

"But what those cash costs do not include, and what the farmers in both of the major general farm organizations have been seeking, is a cash cost that is realistic and covers the cost of labour; and not just hired labour, but payment for the farmer himself."

Surely, the farmer is entitled to some calculation of terms of the labour that he puts into his farm. Cash costs, food, labour and some adequate return on his investment, not the inadequate kind of return that is in the calculations made in Ottawa, which once again this government has accepted totally.

Mr. Riddell: You fellows don't trust anybody. I don't think you trust yourselves.

Hon. W. Newman: Do you blame them?

Mr. Acting Speaker: Order, please. The hon. member will continue.

Mr. Angus: Mr. Speaker, I urge the Liberal members of this House to reconsider their position. I mean, Mr. Speaker, they do have a certain ability to reconsider positions and I urge them to do so in this extremely important issue.

May I also remind you, Mr. Speaker, of our earlier indications that should our reasonable, reasoned amendment not receive the support of this House, then we will move amendments in committee to change this bill so that it will actually do something to support the farmers of this province.

Mr. Speaker, the member from Middlesex played the numbers game when he was contributing, in his own way, to this debate. Let me tell you, Mr. Speaker, at least when our members, the NDP members of this Legislature, go to the farmers in Ontario we do it with our eyes and ears open; we see and hear problems that the farmers have and we refuse to ignore them the way this government is doing with this bill.

Mr. Speaker, I am interested in the reply from the minister and I will now give him a chance to grace us with his words. Thank you.

Mr. Acting Speaker: The hon. member for Grey-Bruce.

Interjections.

An hon. member: Tell them you own 400 acres in downtown Owen Sound.

Mr. Acting Speaker: Order, please. The hon. member for Grey-Bruce has the floor.

An hon. member: The farmer's farmer.

Mr. Sargent: I'm glad we've woken Marvin Shore up anyway.

Mr. Speaker, this bill has been flogged inside and out, with every party I believe milking it to the Nth degree.

Mr. MacDonald: When did you last milk a cow?

An hon. member: Two days before you.

Mr. Sweeney: At least he knows which end.

Mr. Sargent: If I did she'd be well milked, I'll tell you that.

Mr. Laughren: He said milked, not bilked.

Mr. Sargent: I would suggest, Mr. Speaker, that you can bet your Grey Cup tickets that the Prime Minister sees political mileage in this—

Mr. MacDonald: He was pushed into it.

Mr. Sargent: —or he wouldn't be doing it, I would suggest to you, he wouldn't be doing it. Do you want to speak, Donald, or will I speak?

Mr. Acting Speaker: The hon. member for Grey-Bruce will continue without interruption.

Hon. Mr. Davis: Did you say you had extra Grey Cup tickets? Is that what you said?

Mr. Sargent: This will be very brief because we must say something intelligent this time.

[Laughter]

Mr. MacDonald: It will be very brief all right.

Mr. Sargent: My friend from Waterloo North says we have a couple of tickets for the Grey Cup luncheon tomorrow.

Hon. Mr. Davis: I heard people asked—

Mr. Acting Speaker: Order please. Would the hon. member return to the principle of this bill?

Mr. Sargent: I would suggest that the Premier's going to do something about this bill—about $60 million worth, I guess. That could be to appear to be doing something for the farmers. But the funny thing—and the Premier's in the House tonight—

Hon. Mr. Davis: I knew you were going to speak.

Mr. Sargent: —is that the think tank, I understand, has come up now with the view that when the House isn't sitting, the Premier's polls rating goes way up. But when the House sits and the people of Ontario find what really is going on, it goes down.

Hon. Mr. Davis: Eddie, you fellows have no further to go.

Interjections.

Mr. Acting Speaker: Order please. The hon. member will continue debating the principle of the bill.

Mr. Sargent: I'm trying not to be provocative.

The Premier suggests that this will be a short parliament. I'd say about $1.2 billion short.

Hon. Mr. Davis: I never said it would be short.

Mr. Sargent: I don't know. I must confess, Mr. Speaker, getting along to the bill—

Hon. Mr. Davis: Confession is good for the soul.

Mr. Peterson: Why don't you try?

Mr. Laughren: It is a good line—mind if we use it?

Mr. Sargent: —I've had very few farmers —in fact I can't recall a single farmer—concerned over the farm income protection plan. Not a single one. What farmers are concerned about is property tax reform, the high increase of—what?—29 per cent in hydro, the lack of hospital beds, waiting three to six months for a hospital bed.

We have our chartered banks of this country offering farmers a loan.

Mr. Laughren: And you thought he didn't know anything about agriculture.

Mr. Sargent: Do you know a single farmer that's been able to get a loan from the banks on the federal plan? Not a single bank will do it. They say the government will back it up and the banks will give it to them but the banks won't give it to them. So it's time that the minister got into the ball game here and did something for the farmers of Ontario that way.

Mr. Shore: Whose side are you on, Eddie?

Hon. W. Newman: I have.

Mr. Sargent: I mean that. It's very serious. I enjoyed the remarks of the member for Stormont-Dundas-Glengarry. For once the government has a man who knows what he's talking about over there.

Mr. Samis: Better than you have got over there. All you have got to do is listen to him.

An hon. member: He should be in the cabinet.

Mr. Angus: He should be minister.

Interjections.

Mr. Sargent: He talked of the hardships—

Mr. Laughren: Talk to Marvin Shore.

Mr. Sargent: —of farmers in his area and inequities and discrimination that are prevalent in the agri-industry.

Mr. Eaton: You want to come and visit a few farms in Middlesex.

Mr. Sargent: And this past week I have had in my area a young farmer. If he doesn't come up with a—

Interjections.

Mr. Shore: A little respect over there, eh?

Mr. Acting Speaker: Order, please.

Mr. Sargent: He will lose $100,000 if he does not have some way of getting back his milk quota, because he will not have any quota until next April 1, 1977. In the interim he's going to go down the drain, $100,000 worth, because he wasn't in the business soon enough. He got in the business just last year and now he's ruled out. This man is going to go down the drain.

These are things that I'm concerned about. I've been in touch with the Milk Marketing Board and they're going to try and fit him into this year's picture. Those are things that are important to farmers.

But somewhere along the line one thing I think about as a small entrepreneur, a businessman—and I say small because really when I think of the big capital investment, the multi-billions of dollars that are invested in plants, agri-plants, across this province of Ontario, billions of dollars—bigger than any General Motors or whatever you've got. They're the biggest industry in our whole province. We have all this plant laying there and, Mr. Speaker, the International World Bank meets about three or four times a year to distribute loans of money across the world. It tries to distribute the money to do the most good and hopes for world peace.

Why can't we have a world food bank, something along that line? We have one third of the people in the world going to bed hungry and the member for Stormont-Dundas-Glengarry talks about one of his farmers wasting 700 pounds of milk in a day. People are going to bed hungry and we are doing those things.

Why couldn't we have a world food bank and have 100 per cent of our farms producing? The farmers wouldn't have to worry about support or subsidies or handouts.

Mr. Laughren: Move an amendment. Come on over here.

Mr. Ferrier: We're with you.

Mr. Sargent: I say if our farmers could work to full capacity, we could keep our people on the farms and they would be paid for the 60 or 70 hours a week they work. They even milk the cows on Christmas Day. There's no 40-hour week there.

I think I have talked too long. I want to say this in closing, that in supporting this bill—

Mr. Shore: Are you supporting it?

Mr. Sargent: I certainly am—I believe wholeheartedly in the principle of the thing.

Mr. Ferrier: Your speech was good until that point.

Mr. Sargent: The farmer is the only person in our economic fabric who does not know the end price of his product. He's the only man in our economy who doesn't know that. Everyone else knows his own end price.

Mr. Bain: This bill isn't going to change that.

Mr. Sargent. He's the only man in this system—I think the farmer today is the world's biggest gambler. He pays retail for everything he buys, he sells it wholesale and he pays the freight both ways. We support the bill.

Hon. W. Newman: Mr. Speaker, before I get into the deliberations tonight, I'd like to suggest that maybe somebody would like to call for a royal commission on the Bell Telephone Company about my communications with the farmers in this province. Although I'm only really kidding, I'm sorry—

Mr. Bain: Take it over.

Mr. Samis: Don't blame it on Bell.

Hon. W. Newman: —we had a few problems in our communications. We have met with all the commodity boards and the farm organizations on this bill. I'd like to welcome in the gallery tonight, Mr. Speaker, the Vegetable Growers Marketing Board of the province of Ontario whose members are doing a great job in this province.

One of the things which does concern me tonight and has concerned me throughout this debate—this legislation has been truly tried in the news media, which is all right—but what I am concerned about is I wonder if the opposition members really realize what they're talking about tonight.

Mr. MacDonald: Do you? That is what is important.

Mr. Bain: Free negotiations—what's wrong with that?

Hon. W. Newman: If we went down the road they are proposing, or some of them are proposing, we would destroy the marketing board system in this province which has been tried and found true by our agricultural producers for many years.

Mr. MacDonald: That is a bunch of nonsense.

Hon. W. Newman: It may be that in their minds they know exactly what they are doing and that's what bothers me. It really would bother me.

Mr. MacDonald: That is another red herring.

Hon. W. Newman: When the member for Timiskaming stood up tonight and we had our little altercation—

Mr. Samis: Altercation?

Hon. W. Newman: —he was talking about a seven-tit sow and it just amazes me. He was a member of the 4-H Club but he does not know that you call them teats to start with and if he didn't know enough to get rid of a seven-teat sow, there is something wrong him. His agricultural background is sadly lacking. That's all I've got to say.

Mr. Bain: We are not that sophisticated in northern Ontario.

Mr. MacDonald: Shows how long you have not been on the farm.

Mr. Acting Speaker: Perhaps the hon. minister will speak to the principle of the bill.

Hon. W. Newman: Mr. Speaker, all I am saying is that as he was speaking to the principle of the bill, I wanted to make sure he got properly corrected.

Mr. Samis: Back down again.

Mr. MacDonald: You have driven the Premier out.

Mr. Samis: He couldn't take any more of this.

Hon. W. Newman: It is very interesting as we talk about the various members, and I'm not going to discuss it, because quite obviously they don't know the difference between crop insurance and stabilization over there. Their last speaker didn't really understand that but that's all right.

One thing I must talk about is the principle of this bill. Let me say I've heard letters read in this House tonight and Tuesday night. We have a lot of new Canadians who have come to this great province of ours and have started in the agriculture industry. They came here because they wanted the right to farm the way they wanted to farm in this great province of ours. That is why they came here —because we had the free enterprise system.

[10:00]

Mr. Samis: And stayed on the farm.

Hon. W. Newman: Today they are good corporate citizens.

Mr. MacDonald: That is ideological nonsense.

Hon. W. Newman: If the opposition party —I'll talk about you later—had its way we would destroy that.

Mr. Speaker, I want to get on the record tonight a few facts and figures.

Mr. MacDonald: Who wrote that for you?

Hon. W. Newman: I wrote it and rewrote it between 6 and 8 o'clock because I was so disgusted with some of the things you people over there said.

Mr. Cassidy: You are losing your cool. It is happening again.

Mr. Speaker: Order, please.

Hon. W. Newman: Apart from its intrinsic importance, this bill has served to polarize basic political philosophies—

Mr. Bain: You have tried to use it for that purpose.

Hon. W. Newman: As a result, we have had many overheated exchanges.

Mr. Bain: And yours has been the most overheated.

Hon. W. Newman: I concede I am not guiltless in that regard. How about that, eh?

Interjections.

Hon. W. Newman: And we have also heard far too much foolishness over there too.

Mr. MacDonald. And now too.

Hon. W. Newman: However, I am impressed by the amount of sound common sense this debate has provided—and not only

from the government benches. I am pleased by some of the other hon. members who understand farmers and farming.

Mr. Samis: Name them, Bill. What party?

Hon. W. Newman: They have obviously subjected the bill to thoughtful analysis.

Mr. Cassidy: That is why we spoke the way we did.

Mr. MacDonald: When we agree with you it is thoughtful. If we disagree it is nonsense.

Hon. W. Newman: Mr. Speaker, it is not the least bit surprising to me that the NDP would come forth with the stance that they did. They were taking great pains to assure us they are not advocating socialized agriculture when all of us know that what they are suggesting would direct the agricultural industry in this province down just that road.

One thing that has impressed me in this debate is that those members—

Hon. Mr. Davis: Your leader admits it.

Mr. MacDonald: You know better if he doesn't.

Mr. Speaker: Order, please.

Hon. W. Newman: —of this House who have a true understanding of the present status of the agricultural industry in the province and also a keen desire of what they want for it in the future, have indicated their support of this bill. This is where basic political beliefs have polarized. The government is determined to resist any attempt to lead farming down the socialist road.

Mr. Laughren: Between you and Leo Bernier who alienated all of northern Ontario.

Mr. Angus: That is a red heifer.

Hon. W. Newman: No, no. We insist that the plan must operate within the free enterprise system and the free market system based on supply and demand.

Mr. Cassidy: That is Darcy's speech.

Mr. Shore: Listen, boys, you will learn something.

Mr. Bain: I am listening but he hasn't told us anything yet.

Mr. Acting Speaker: Order, please. The hon. member for Timiskaming had his chance to speak. Now it's the minister's turn.

An hon. member: Throw him out.

Hon. W. Newman: Mr. Speaker, he didn't speak, he just uttered.

Interjections.

Hon. W. Newman: Mr. Speaker, I am accustomed to some pretty bizarre utterances from the NDP, but I was so appalled by a remark the opposition agricultural critic made on Tuesday that I checked back later in Hansard. And sure enough, he actually told the government, and I quote "to quit prattling around about free enterprise, which doesn't exist particularly in the agricultural communities."

I really haven't got the time, Mr. Speaker, to explain the ABCs of agriculture to the NDP today.

Mr. MacDonald: Right. What about the quota in supply management? In milk? In beef? That is not free enterprise.

Mr. Speaker: Order, please.

Hon. W. Newman: But let me tell—

An hon. member: Throw him out.

Hon. W. Newman: Just let me tell the farmer from York South that free enterprise doesn't merely exist in the agricultural community, it flourishes in the agricultural community. It's the very foundation stone of our agricultural community, and don't you forget that.

After listening to that kind of stuff, it was encouraging to hear the Liberal Party support the government's policy of operating within the free enterprise system and working towards an effective comprehensive stabilization programme on a national scale. Indeed, Mr. Speaker, it cannot be stressed too often that all political parties agree that farm income stabilization is primarily a federal responsibility. The federal framework is there—

Mr. Philip: Keep up there, brother, they will overcome you.

Hon. W. Newman: —for a really meaningful national programme. The trouble is that in the past its provisions have never been employed extensively enough to meet the needs of Ontario's farmers. Nevertheless the fact that Ottawa has been slow to live up to its commitments does not mean that a nationwide programme is unworkable or unlikely. If the provincial governments and the farmers' organizations keep up their pressure, I'm confident we can overcome the lack of some federal action.

Mr. Philip: Keep it up there, brother, they will overcome you.

Hon. W. Newman: I fully intend to maintain our dedication to a meaningful national plan. In a Telex yesterday, Mr. Whelan invited me and other provincial agriculture ministers to a meeting in Ottawa on December 15—an important conference—to try to sort out federal and provincial stabilization programmes.

Mr. Laughren: Are you going?

Hon. W. Newman: Yes. It appears to me that the approach Ontario has been trying to sell for almost four years now has a considerable amount of support from most of the provinces and I look forward to the meeting on December 15.

Mr. Cassidy: You sound like a stump speaker at a Republican convention.

Hon. Mr. Davis: You would provoke me into saying what you sound like and that wouldn't be nice tonight.

Mr. Speaker: Order, please.

Hon. W. Newman: I feel we should have universal support for every Canadian farm product—

Mr. Cassidy: You guys are afraid of losing the free enterprise vote.

Hon. W. Newman: —at the level which the federal Bill C-50 provides and that above this level we should offer additional protection for farmers who want to contribute towards it.

Mr. Ferris: Except asphalt.

Hon. W. Newman: The federal government, the provincial government and participating producers should be equal partners in building up a fund for this extra protection on a dollar per dollar basis.

Mr. MacDonald: Amen.

Hon. Mr. Davis: I hope Hansard notes that amen from the member for York South.

Hon. W. Newman: The member for York South tried to make a big deal out of a speech I made a year ago to the annual convention of the Ontario Federation of Agriculture. What I said then basically—

Mr. Cassidy: Those sort of dulcet tones.

Mr. Speaker: Order, please. Will the hon. minister continue and could we have fewer interjections? They add nothing to the seriousness of this debate. Order, please.

Mr. MacDonald: You know better even if he doesn't.

Mr. Speaker: Order, please. The hon. minister will continue.

Hon. W. Newman: They are obviously not interested in the farmers' future. The member for York South tried to make a big deal out of a speech I made a year ago to the annual convention of the Ontario Federation of Agriculture. What I said then was basically what I have said here—our long-term objective is still a universal floor price on which the provinces can build according to their regional needs and wishes. When I discussed production costs and Ontario's plans, I was talking of building a voluntary, contributory, three-way partnership on top of the federal foundation in Bill C-50. We still don't have that solid foundation but my outlook remains optimistic.

Mr. Bain: It's a pretty shaky foundation.

Hon. W. Newman: Meanwhile, the time is overdue to get the show on the road in Ontario. Bill 131 is designed to do just that, to provide protection for Ontario producers who want it now.

I might say that it is not as good as the ultimate plan we are working for. We all know that; it is not a panacea.

The member for Huron-Middlesex and other Liberal members understand that. I think he agrees that it is a sound workable plan and any limitations are dictated by the facts of farm life today.

Mr. Bain: The only reason they support it is they are afraid of an election.

Mr. Speaker: Order, please. Does the hon. member for Timiskaming wish to remain in the chamber? There have been enough admonitions tonight about the interjections which are not adding to the calibre of the debate; there are many people watching and judging everyone here. I think perhaps we should get on with the debate. Will the hon. minister continue?

Hon. W. Newman: Thank you, Mr. Speaker. He has suggested that some provisions could be changed and I'm certainly not taking the stand that the Act couldn't be amended from time to time if it is necessary. As the Liberal agricultural critic said, let's set the machinery in place and give the plan a chance to work.

On the question of producer participation in the decisions of the stabilization commission, I feel it is guaranteed adequately by the Act. The majority of the commissioners will be representatives of the farming community. I can't see the commission actually negoti-

ating formally in the sort of confrontation situations we see in union-management bargaining but I can see them having a very meaningful role in the whole situation.

Maybe we can approach it from a slightly different angle. The three major farm organizations might recommend annual members to sit on the commission. If such a compromise would make the organizations and majority of members happier, I'd be willing to amend the bill to that effect in committee.

The Act was designed to solicit input from the agriculture community. It says the commission may consult the general farm organizations, marketing boards and such other producer groups as it considers proper. If it would end any misgivings about the Act's intent the word "may" could be changed to "shall." That would require consultation before setting up any commodity plan or amending it later.

The member for Huron-Middlesex wondered why the government couldn't extend the provisions of the bill regarding producers of commodities which aren't named or designated for federal support at the 90 per cent level. To a large extent he answered his own question.

Mr. Whelan has said any commodity that needs such protection will get it if the need is demonstrated. We want Ottawa to provide that protection and I would like to quote from the federal-provincial conference we had on July 26 to 29 in Quebec City and I quote from a statement of Mr. Whelan's: "There has been some uncertainty expressed as to whether or not support would be offered under the federal programme to commodities that are not named under the Act. I can indicate to you that any agricultural commodity which is produced in significant quantities in Canada will be supported under the federal programme if the need for this support can be demonstrated."

Mr. MacDonald: Who is going to judge that?

Mr. Speaker: Order, please. The hon. minister will continue.

Hon. W. Newman: Those were his own words. It is true that this extended coverage could have been provided provincially under Bill 96 at a cost of roughly, as I originally estimated it, $7 million, but on further calculation it was roughly $11 million to $12 million last year.

It is also true, of course, that the opposition parties turned back Bill 96, but apart from that we must remember that market prices were fairly good last year, comparatively speaking. They have been pretty good for three years, but farmers have actual historical reasons for thinking that the good years are followed by bad years. In a year of really depressed prices, payouts could be a great deal higher than the $11 million to $12 million. Just how high, I would not like to estimate.

It was also suggested that we should change the basic 95 per cent level of support payments in Bill 131 to read "not more than 95 per cent of the five-year average price adjusted by cost of production indexing." Such an amendment would not be consistent with the principle of the bill. Remember, Ontario's formula is based on the same data as the federal formula. Our plan is designed to be integrated with an effective federal plan when we finally achieve that on a national basis and integration would be very difficult, if not impossible, with such a revision. As I said, my mind is not closed to amendements to the Act if they prove necessary, but I am not prepared to alter the principle of the bill.

Bill 131 adjusts payments to reflect the farmer's current cash cost of producing a commodity compared to his cash cost averaged over the five years. I would like to read the list into the record, Mr. Speaker, to counter recent suggestions that somehow we would be short-changing the farmer.

A farmer's cash costs are defined as the normal out-of-pocket expenses he incurs in field crop production. Cash costs normally include hired labour; the expenses of operating and repairing machinery and farm buildings; property taxes on land and buildings, field drainage; fertilizer; pesticides; herbicides; crop insurance premiums; and hydro and telephone services needed for production. In livestock farming, cash costs normally include hired labour; hay; feed grains; other feeds; protein supplements and minerals; veterinary bills; medicine; building repairs, fence repairs; expenses of operating and repairing machinery and vehicles; property taxes associated with production; bedding for the animals; electricity and utilities.

Mr. MacDonald: No labour costs to the farmer himself.

Hon. W. Newman: You didn't even listen to the last paragraph.

Mr. Speaker: Order, please. Will the hon. minister continue and ignore the interjections?

Hon. W. Newman: These normal out-of-pocket production expenses are easily understood. Confusion arises only when people propose other costs that might be considered in support payments—overhead costs that would be incurred even if the crop were not produced in any given year.

I have heard and considered recommendations for including such costs as depreciation on buildings and equipment; interest on the farmer's investment in land, buildings and equipment; a return for the family labour; a return for the farmer's managerial function. If you add up all such considerations, you are talking about the full cost of production.

Mr. MacDonald: Why didn't you vote for that in the federation convention last fall?

Mr. Speaker: Order.

Hon. W. Newman: When you talk of reimbursing the farmer for his full cost of production, you are talking about a guaranteed annual income. You are no longer talking about a plan to stabilize a farmer's income over years of ups and downs in the marketplace. Instead, you are talking about a plan to pay a farmer so he can't lose as long as he farms the way the state tells him to farm.

That is the kind of plan the New Democratic Party has been advocating.

Interjections.

Mr. Speaker: Order.

Hon. W. Newman: In setting support levels in a stabilization plan—

Interjections.

Mr. Speaker: Order.

Hon. W. Newman: —they must be high enough to achieve their purpose of tiding producers over periods of depressed market prices, but not high enough to affect the free operation of the market by offering artificial incentives to produce.

[10:15]

Problems in Canada's dairy industry illustrate the inherent dangers of incentive pricing. In its campaign to make the Canadian dairy industry as nearly self-sufficient as possible, the federal government offered milk producers a wide variety of incentives and encouraged the provinces to follow suit.

But it underestimated our farmer's astonishing ability to produce when the price is right The miscalculation was magnified by many other world-wide problems, and now we have warehouses bulging with unsold butter and skim milk powder.

Guaranteeing the farmers full cost of production would create a sure-fire incentive to produce almost anything, regardless of the market demand for it, and then we'd have surpluses. Surpluses would mean lower farm prices, lower farm prices would mean high stabilization payments, payments so needlessly and unjustifiably high that the taxpayer, quite rightly, wouldn't stand for them. The only alternative would be to limit production by quotas imposed by the state; and the farmers, quite rightly, wouldn't stand for that.

Hon. Mr. Davis: You guys are in real trouble.

Mr. Breithaupt: Now do you see what you've done?

Hon. W. Newman: That's the double bind concealed in the proposal of the NDP's urban theorists. Our farmers don't trust the NDP, and for many good reasons. This has given them another reason to add to their list.

The opposition's agriculture and food critic has conceded in a press conference that his party's proposal would require production quotas. At the same time he described the issue before the House today as: "A very powerful urban issue." That was a dead giveaway. The NDP are trying to oversimplify a complex subject in hopes of picking up a few urban votes, even though it means sabotaging the agricultural industry in Ontario.

Mr. MacDonald: I am trying to simplify it so you can understand it.

Mr. Cassidy: Even Claude Bennett is wondering about you.

Mr. Speaker: Order.

Hon. W. Newman: The official opposition doesn't represent—

Interjections.

Mr. Speaker: Order, order. The hon. minister will continue.

Hon. W. Newman: The official opposition doesn't represent a single purely farm constituency in this House.

Hon. Mr. Welch: That's right.

Hon. W. Newman: It wants to, God knows, but it can't understand farming and it can't establish contact with farmers. I talk to farmers every day, and I think I know them fairly well. The farmers I know want as little bureaucratic interference in their decisions as possible.

Mr. Sargent: That's the case in my riding.

Hon. W. Newman: They farm because they like it. They're the boss on their own farms.

Interjections.

Mr. Speaker: Order.

Mr. Ferris: Did Darcy teach you how to talk?

Mr. Speaker: Order, please.

Hon. Mr. Davis: Did I hear from London South?

Hon. W. Newman: Many of them produce within quotas established by their own marketing boards, that is by other farmers producing the same commodities they produce. Producer-elected marketing boards are efficient and are doing a fine job, but farmers wouldn't produce within quotas established by Queen's Park. Many of them would give up farming rather than accept control by some authoritarian bureaucracy.

Mr. MacDonald: God help them if you were to impose the quotas.

Mr. S. Smith: Those are a lot of syllables now, be careful.

Mr. Speaker: Order.

Hon. W. Newman: The member for York South claims the NDP—

Mr. Reid: This was left over from Darcy's speech on Tuesday.

Mr. Speaker: Order, please. The hon. minister will continue.

Hon. W. Newman: The member for York South claims the NDP scheme isn't aimed at socializing agriculture because participation would be voluntary. Our farmers know very well, and he should know too, that supply management can't be effective unless most of the producers of a commodity are in a plan and the plan is a national plan. Supply control and farm income stabilization usually are alternative ways to offset marketing downturns.

Mr. MacDonald: Have you an annual plan for tobacco?

Hon. W. Newman: But in our bill, stabilization measures are available, if needed, to help farmers if the supply management system does not give them adequate income.

Our farmers don't expect no-risk agriculture, they don't want handouts, and they certainly don't fall for this NDP gimmick. They remember how fond the Ontario NDP used to be of boasting about the marvels of the NDP government in British Columbia, with its stabilization formulas—

Mr. Bain: Tell us about the stabilizers.

Mr. Speaker: Order, please.

Hon. W. Newman. —based on production costs rather than marketing prices.

Mr. MacDonald: It's the working model.

Hon. Mr. Welch: And look where they are now.

Hon. W. Newman: Our farmers have been spared that line since the BC voters threw them out.

Mr. Cassidy: On a point of order, Mr. Speaker.

Mr. Speaker: No. Order, please. Let's get on with fewer interjections. Will the hon. minister continue, please?

Mr. Cassidy: Point of order.

Mr. Speaker: What is your point of order?

Mr. Cassidy: Is the minister speaking to the principle of the bill?

Mr. Speaker: I would say as much as anyone else was. The hon. minister will continue.

Hon. W. Newman: Mr. Speaker, I have trouble controlling myself but I'll try.

Mr. Speaker: Please do.

Hon. W. Newman: It's worth recalling that even the BC socialists didn't try to guarantee full production costs. Our farmers know far better than the NDP theorists that a stabilization plan must not provide artificial alternatives to free operation of the marketplace. No risk farming and artificially high price guarantees maintained by production controls would increase consumer prices.

Mr. Cassidy: You guys don't know where to stop, do you?

Mr. Speaker: Order, please.

Hon. W. Newman: That would be an open invitation to other countries to dump lower priced food products in Ontario.

Interjections.

Mr. Speaker: Order, please.

Hon. W. Newman: We'd be flooded by imports undercutting our own products and that would finish the job of sabotaging our agricultural food industry. Remember, Ontario has no border controls. Only the federal government has power to set quotas or tariffs on foreign food products and its policies are a mess.

Mr. S. Smith: I accept what he says but the sanctimony I can do without.

Hon W. Newman: The government of Ontario has been leading the fight for reforms in agricultural tariffs which place our producers at severe competitive disadvantage. For seven months the Minister of Industry and Tourism and I have been trying to arrange a meeting with the federal Ministers of Agriculture, Industry, Trade and Commerce, Finance and External Affairs.

Interjections.

Hon. W. Newman: We want to discuss negotiations on the General Agreement on Tariffs and Trade with particular reference to Ontario agriculture. Two meetings were schedule but cancelled and since then we haven't been able to arrange a third one. Thank goodness the Premier very kindly has written a letter to the Prime Minister of Canada asking for his assistance in trying to set up such a meeting to discuss this matter.

Hon. Mr. Davis: Written by my own hand.

Mr. Reid: He'd never be able to read it.

Mr. Nixon: He was asking for permission to import grapes.

Hon. W. Newman: With artificially high support prices and production controls we couldn't even protect ourselves from the produce of other provinces which might be below our market prices. We'd be telling our farmers how much of what they could produce while the farmers in another province would be free to produce as much as they liked and to sell any surplus profitably in Ontario.

The NDP proposals require border controls as well as production controls. Getting any sort of border controls means getting federal support. It requires little imagination to know how much federal support could be expected for a plan which ran counter to the federal support price formula and therefore the nation-wide stabilization programme we're pressing for.

Our food exporters have to be cautious, too. If our price support levels conflicted with international trade and tariff agreements they could bring retaliation against our food products by countries which are buying them now. In the final analysis, the NDP proposals are not only unpalatable but unworkable because they ignore the everyday realities of agriculture and political life.

I suppose the NDP agriculture critic saw he was beyond his depth and that is why he read into Hansard a column by the president of the OFA which appeared in Farm and Country of November 16. Unfortunately that article was a little off base.

Mr. MacDonald: I agreed with it. That's why I read it.

Hon. W. Newman: I never said Bill 131 would cost the provincial government $70 million a year. I said it could cost up to $70 million a year and in a really bad year, that's exactly what could happen.

Mr. Cassidy: You are backing down, are you?

Hon. W. Newman: No, not at all. Not a bit.

Mr. Cassidy: That's what it sounds like to me.

Mr. Speaker: Order, please.

Mr. Cassidy: You make a headline and then you apologize for it.

Mr. Speaker: Order.

Hon. W. Newman: The costs of the programme will be influenced by the following factors—

Interjections.

Mr. Speaker: Order, please.

Hon. W. Newman: —the movement of farm prices and farm costs; the number of producer groups which want a plan; the number of groups which enter a plan in any specific time period; the number of farmers in a producer group who voluntarily become part of the specific group; the amount of any farmer's product which is eligible for coverage in the plan.

Mr. Sargent: Time, time.

Hon. W. Newman: The stabilization commission—no, it's not quite—

Mr. Sargent: You are milking it too much.

Hon. W. Newman: —will determine the ground rules for some of these factors. Members forget that this doesn't include the beef-calf stabilization programme which cost the province of Ontario $22 million last year. We have 4,000 new enrolments this year which is indicative of the success of this programme.

Mr. Laughren: Table it.

Hon. W. Newman: However, the cow-calf plan was an emergency situation which we dealt with on a five-year basis. We're still looking for federal cow-calf plan and we are told that we're going to get one next year from Ottawa. I'll wait and see.

Mr. MacDonald: Why do you accept Mr. Whelan's report then?

Mr. Speaker: Order, please.

Mr. MacDonald: His word isn't worth anything.

Mr. Speaker: Order, please. We're wasting valuable time here.

Hon. W. Newman: It is risky to assume that farm prices and the gross income of the farm community won't increase beyond today's levels. In establishing government cost figures, we have to be aware that production will increase and, therefore, our liability can increase. In short, we have to be aware that agricultural conditions are not very stable. It's impossible to be precise about cost estimates and the government is responsible for the taxpayer's dollars.

We hope that market prices are high enough and federal support levels are high enough but the Ontario programme is there when it is needed. We have undertaken to provide the funds which are necessary. I could go on, but I see the time is running late.

Mr. MacDonald: You finished a long time ago from the point of view of information.

Hon. W. Newman: I could give the example of corn and point out that actually there could have been a pay-out as high as about $7 million in 1975 under our present programme. I have a great deal of faith in the farmers of this province and of this country and in what they can produce.

Mr. MacDonald: More than they have in you.

Hon. W. Newman: In the last 20 years, they've been more productive and more efficient than any other industry in the province of Ontario and in Canada. The efficiency has gone up every year, and our agricultural efficiency will probably show even more amazing gains in the years to come.

One thing more: More graduates from our Ontario agricultural colleges go into farming every year, eager to take advantage of the latest advances in technology. To answer some of the questions today, enrolment in Ontario's two-year agricultural diploma courses is at an all-time high. A total of 1,180 students are enrolled in the University of Guelph and the four provincial colleges of agricultural technology. This represents a 45 per cent increase over the last five years—

Mr. MacDonald: What's all this got to do with the principle of the bill?

Mr. Breithaupt: How are you going to keep them back on the farm?

Mr. Speaker: Order, please.

Hon. W. Newman: Over 50 per cent of these young people are going back to the farm, and the other 50 per cent are going into agriculture related industries. So don't tell me the young people aren't going back to the farm. They are going back to the farm. And don't forget that.

Interjections.

Mr. Speaker: Order, please. Will the hon. minister be completing his remarks in the next moment or two?

Hon. W. Newman: I have every confidence that the farmers of tomorrow can even surpass the records that have been set in the last 20 years or so. I have never forgotten these words of the late President Kennedy—

Some hon. members: Oh, oh.

Mr. S. Smith: Then don't read it. Put away the paper if you haven't forgotten it.

Interjections.

Mr. Speaker: Order.

Hon. W. Newman: "Our greatest day-to-day miracle," he said, "is our free-enterprise, family-farm food production system." And to those words I can only add, let us not destroy it.

Mr. S. Smith: If you haven't forgotten them, why did you have to read them?

Hon. W. Newman: Producers who have achieved these records of food production, because of the incentives built into the free enterprise system, don't want an income stabilization plan to pay all their costs.

One of our farmers has sent my ministry this message: "If you guarantee I won't lose money, I know damned well I won't make much either."

Interjections.

Hon. W. Newman: Some farmers don't want an income stabilization plan at all. Of those who do, I am convinced that the great majority want what Bill 131 provides. It provides the opportunity for greater security during lean years and a healthier economic climate for farming their own way. Since they can farm their own way far better than any government can tell them to farm, I have no intention of incorporating socialist theory in a bill desgined to help them keep on farming their own way.

The government has accommodated the wishes of the majority in this House and revised our original farm income stabilization bill. Those members who understand the agricultural community have not sacrificed their principles, nor will this government sacrifice its principles for political expediency.

Interjections.

Mr. Speaker: Order, please. Let's get on with the next order of business.

Mr. Newman had moved second reading of Bill 131. Mr. MacDonald moved, seconded by Mr. Wildman, that Bill 131, An Act respecting Farm Income Stabilization, be not now read a second time but be referred back to the government with instructions to incorporate therein:

1. a formal role for farmers' general and commodity organizations in the development of and the determination of the terms and conditions of any plan requested by a group of producers;

2. comprehensive coverage for all Ontario commodities which will provide full support up to the negotiated stabilization level, irrespective of the actions of the federal government;

3. a provision for current costs of production to be reflected in the final stabilization price or prices under any plan, with the revised bill to be reintroduced into the Legislature no later than December 1, 1976.

[10:30]

The House divided on the question, shall the bill be now read a second time, which was approved on the following vote:

Ayes	Nays
Belanger	Angus
Bennett	Bain
Birch	Bounsall
Breithaupt	Breaugh
Conway	Bryden
Cunningham	Burr
Davis	Cassidy
Drea	Deans
Eakins	Dukszta
Eaton	Ferrier
Edighoffer	Gigantes
Evans	Grande
Ferris	Laughren
Gaunt	Lupusella
Givens	MacDonald
Good	Mackenzie
Gregory	Makarchuk
Grossman	McClellan
Hall	Moffatt
Handleman	Philip
Henderson	Samis
Irvine	Sandeman
Johnson (Wellington-Dufferin-Peel)	Warner
Kennedy	Wildman
Lane	Young
Leluk	Ziemba—26.
MacBeth	
Maeck	
Mancini	
McCague	
Meen	
Miller (Haldimand-Norfolk)	
Miller (Muskoka)	
Morrow	
Newman (Durham York	
Newman (Windsor-Walkerville)	
Nixon	
Norton	
Peterson	
Reed (Halton-Burlington)	
Reid (Rainy River)	
Rhodes	
Riddell	
Ruston	
Sargent	
Scrivener	
Shore	

Ayes

Smith
(Hamilton Mountain)
Smith
(Nipissing)
Smith
(Hamilton West)
Snow
Spence
Stephenson
Sweeney
Taylor
Villeneuve
Welch
Wells
Williams
Wiseman
Worton
Yakabuski—62.

Ayes 62; nays 26.

Ordered for standing resources development committee.

Hon. Mr. Welch: Before moving the adjournment of the House perhaps I could indicate something of the programme for the next few days.

Tomorrow we'll do supplementary estimates, starting with the Ministry of Natural Resources and followed by Health.

On Monday we'll do budget and there's private members' hour from 5 to 6. On Tuesday we'll do legislation which stands on the order paper for committee of the whole and continue with the supplementary estimates.

Wednesday is committee day. We'll announce on Tuesday what we'll do for the balance of the week.

On motion by Hon. Mr. Welch the House adjourned at 10:40 p.m.

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Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

FRIDAY, NOVEMBER 26, 1976

The House met at 10 a.m.

Prayers.

Mr. Samis: On a point of privilege. Yesterday, while inquiring and making arrangements for a group of French-language students to visit the Legislature, I was told by the appropriate staff here that there is, and there would be, no French-language literature available to students coming to the Legislature.

In view of the Premier's commitment in 1971, and in view of a statement made and recorded in the Toronto Star by one no less than the Treasurer of Ontario which says, "The guarantees made to French Canadians at the time of Confederation must be honoured. Those guarantees were not offered as a privilege or a gift from the English-speaking people, they were solemn pledges, essential conditions to the establishment of a country. Those pledges must be kept"—I would ask you, sir, to take immediate action to see that nobody is discriminated against in either of the official languages when they come to visit this Legislature.

Mr. Speaker: I might say that's not a point of personal privilege and no privilege of the member has been abrogated in any respect. I will take the information under consideration. It hasn't been brought to my attention before. I will check into it.

Statements by the ministry.

INDUSTRIAL MILK QUOTA

Hon. W. Newman: Mr. Speaker, I'm pleased to advise the House that the Ontario Milk Marketing Board and the Canadian Dairy Commission have reached agreement on the method to be used for allocating the additional 127.6 million pounds of industrial milk quota recently made available to Ontario.

Mr. Cassidy: Is this socialized agriculture?

Hon. Mr. Davis: You are being provocative early in the morning.

Hon. W. Newman: This quota, together with other quota which has accrued to the Ontario Milk Marketing Board is now being distributed to Ontario producers and will be available for use in November.

Mr. Cassidy: Now he is talking out of the other side—

Mr. Speaker: Order, please. The hon. minister has the floor.

Hon. W. Newman: The December milk cheques to producers will reflect the increase in quota.

This quota distribution plan is intended to maximize the amount of industrial milk produced between now and the end of the current dairy year—April 1, 1976, to March 31, 1977—in line with Ontario's share of the national quota, and to distribute the quota among producers in the most equitable way. To achieve these objectives the Ontario Milk Marketing Board will also implement immediately a quota-lending programme between producers.

I am tabling the letter from the chairman of the Ontario Milk Marketing Board advising the Ontario milk producers of details of the programme.

PRICES AT HIGHWAY SERVICE CENTRES

Hon. Mr. Snow: Mr. Speaker, I wish to announce recent development related to the prices charged for gasoline at service centres on Highways 400 and 401.

This matter goes back to last spring—I believe it was May 13—when the hon. member for Elgin (Mr. McNeil) and, more recently, the hon. member for Kent-Elgin (Mr. Spence) I believe it is, questioned me about the differences in the price of gasoline between highway service centres on Highways 401 and 400 and the off-highway stations.

In my reply, I informed the hon. members I was aware of the higher prices being charged at the service centres on the expressways. I added that we were looking into the matter.

As this House is aware, these service centres operate under a lease agreement with the oil companies which tender for the award

of such leases. I pointed out that all lease agreements call for a percentage of the gross revenues, not a per-gallon rate.

Mr. MacDonald: So the government shares in the ripoff?

Hon. Mr. Snow: I also informed the member for Elgin that when most of these leases or contracts were drawn up, fuel was at a much more reasonable price than it is today. As the costs increased, thanks partially to the additional federal excise tax of 10 cents per gallon, the sale price of the product increased dramatically.

Mr. Nixon: Did your 19-cent-a-gallon tax have anything to do with that?

Mr. Speaker: Order, please.

Mr. Nixon: Your tax is almost double.

Hon. Mr. Snow: As a consequence, Highways 400 and 401 service centres have been paying their rental percentage on those inflated costs.

Hon. Mr. Davis: Do you think we should reduce it?

Hon. Mr. Snow: I further stated we would be negotiating with the oil companies in an attempt to alleviate a situation in which the price to the consumer went up along with increases in the amounts paid for leases since they were based on a percentage of gross sales.

Mr. Nixon: Those are provincial leases, aren't they?

Hon. Mr. Snow: This was not the intention when the leases or contracts were awarded. It was the action by Ottawa in increasing the excise tax—

Mr. Peterson: You are worse than the Premier; you are awful.

Mr. S. Smith: Come off it.

Mr. Nixon: You are still going to keep ripping them off.

Mr. Breithaupt: You're living off the avails.

Mr. Cassidy: You guys indulge in an orgy of self-justification. You had better change your speech writers.

Mr. Breithaupt: You can't blame the municipalities for this one.

Mr. Speaker: Order.

Hon. Mr. Snow: Mr. Speaker, I shall start over.

Mr. Nixon: I am in bed with Beryl Plumptre; that's what you said yesterday. Start over again and get it right this time.

Hon. Mr. Snow: As I said, it was not the intention when these leases or contracts were awarded. It was the action by Ottawa in increasing the excise tax, plus the action of the oil-producing countries demanding higher—

Mr. Breithaupt: Blame it on the Arabs.

Mr. S. Smith: And Lougheed's province.

Mr. Speaker: Order, please. I am sure the young people in the galleries must be getting a wonderful impression this morning. Will the hon. minister continue?

Mr. Breithaupt: Only of the incompetence of the minister.

Mr. Nixon: If they were listening to the minister they would be disgusted.

Mr. Speaker: Order, please. The hon. minister has the floor for his statement.

Hon. Mr. Snow: —plus the action of the oil-producing countries demanding higher wellhead prices and royalties, which have been largely responsible for the inflated price to the consumer and what might be called windfall gains in rental income from the service centres.

Today, I can tell the House that as a result of continuing negotiations between my ministry and the oil companies, Imperial Oil has agreed to lower the prices it charges motorists using service stations on Highways 400 and 401.

Mr. Samis: How much?

Hon. Mr. Snow: This has resulted from the fact that my ministry is committed to amending its agreement with the oil companies, allowing them to reduce their gross revenues by the amount we have determined to equal the increases since September, 1973—

Mr. Edighoffer: Bargain with oil, boys.

Mr. Ruston: You had your finger in the till.

Hon. Mr. Snow: —increases stemming, as I noted earlier, from the increase in federal tax and the price of crude.

I can also state emphatically that our offer was conditional upon the agreement of the oil companies to pass on the full benefits to the motorists in the form of lower gasoline prices.

Mr. S. Smith: How much?

Mr. Renwick: How much?

Hon. Mr. Snow: If the hon. members will just hold their breeches for one minute, they'll find out.

Mr. Nixon: The reduction will be—

Mr. Breithaupt: That's all you had to say in the first place.

Hon. Mr. Snow: The result, I'm pleased to report, is that as of November 23, Imperial Oil has been more than co-operative and the price of gasoline at Esso stations on Highways 400 and 401 has dropped anywhere from five to nine cents a gallon.

Mr. Nixon: Oh, rubbish.

Mr. S. Smith: What about the price of a gallon over the past three years?

Hon. Mr. Snow: Specifically, the price of a gallon of regular gas fell from 92.9 cents to 83.9 cents at Newcastle; at Maple it dropped from 92.9 cents to 85.9 cents, and at Ingersoll to 87.9 cents.

Mr. Nixon: That's a steal.

Hon. Mr. Snow: The prices for unleaded and premium gasolines were reduced accordingly to maintain the normal trade differential. The reason for the variance in the lower prices relates, I understand, to market prices charged for gasoline in the specific areas mentioned.

Mr. Peterson: What about the other brands, Jim?

EDUCATION STANDARDS

Hon. Mr. Wells: Mr. Speaker, following my two recent announcements of major policy changes related to curriculum in the schools—

Mr. Peterson: You are ahead of your time, Tom.

Hon. Mr. Wells: —I would today like to inform members that the Ministry of Education is taking a further step to refine and improve the quality of education in the elementary and secondary schools of Ontario.

Mr. Nixon: It's an attempt to repair all that Davis damage.

Interjections.

Hon. Mr. Wells: Specifically, we are setting in motion a plan that will result in better testing and evaluation of pupil achievement at the classroom level and better reporting of pupil progress to parents.

Some hon. members: Oh, oh.

Mr. Warner: Bill 22.

Hon. Mr. Wells: In recent years, as members are well aware, we have tended to move away from centralized, uniform testing towards an approach that places more reliance on the judgement of individual teachers. Such an approach has a number of virtues and is consistent with the more flexible curriculum that has applied in our schools.

Mr. Nixon: A great retreat.

Hon. Mr. Wells: But at the same time it clearly places more emphasis on subjective judgement and leads to variation from classroom to classroom and school to school.

Mr. S. Smith: Are you insulting the teachers?

Hon. Mr. Wells: Such variations are often interpreted by students, parents and teachers alike as creating uncertainties as to the standards achieved. Let me make it clear there is no question in my mind that the teaching profession of Ontario has continued to attain highly satisfactory standards in our schools.

Mr. Nixon: A year ago there was.

Interjections.

Mr. Speaker: Order, please!

Hon. Mr. Wells: Nevertheless, I can understand that little is accomplished by me or a local school board chairman, or school principal, or anyone else who has responsibility for our educational system, making such assertions and asking people to accept them on their own merit. That is no more helpful than hearing from the critics of our schools today who, for whatever purpose, tend to stand up and claim that standards have fallen without any concrete evidence to that effect.

Mr. Peterson: It's all around you.

Mr. S. Smith: Why are you changing it?

Mr. Speaker: Order, please. There'll be an opportunity for questions in a moment.

Mr. Ruston: You are not retreating. You are in complete flight.

Mr. Speaker: Order!

Hon. Mr. Wells: Teachers and parents clearly want more objective information about

how well pupils are achieving, and that is what we intend to provide.

Mr. S. Smith: That is taken right off page seven.

Hon. Mr. Wells: As a result, the area of evaluation and testing has been the subject of considerable study within the ministry for many months. Last May, in the midst of our investigations, the cabinet met with the executive of the Ontario Teachers' Federation, which presented at that time an extremely constructive and helpful brief on behalf of the teachers of Ontario.

Hon. Mr. Davis: A good submission.

Hon. Mr. Wells: In that submission, the federation stated: "There appears to be widespread concern about levels of academic progress and behavioural standards being achieved in the schools. We may have reached the time when a comprehensive survey of school standards is needed so that remedial measures may be taken should these apprehensions prove to be well-founded."

This added further impetus to our own investigation and study. It was clear that we were not acting in a vacuum and that teachers had similar concerns.

Mr. S. Smith: How can you read that?

Mr. Breithaupt: Surprise, surprise.

Mr. Sweeney: We have been telling you that for 10 years.

Hon. Mr. Wells: Today, it is with a sense of appreciation and optimism that—

Mr. Nixon: Complete hyprocrite.

[10:15]

Hon. Mr. Wells: —I am able to report that the Ontario Teachers' Federation has agreed to work very closely with us in an effort to devise a workable and educationally sound plan by which the evaluation—

Mr. S. Smith: You didn't have a sound plan.

Hon. Mr. Wells: —and reporting of pupil progress can be improved in this province.

In order to achieve this, a unique technical work group has been formed, and it is at this moment beginning its first meeting in the Mowat Block.

Mr. S. Smith: Don't you have people in your ministry?

Hon. Mr. Wells: Chairing the group is Mrs. Claudette Foisy-Moon, who is executive assistant on the staff of the Ontario Teachers' Federation.

Hon. Mr. Davis: Relax.

Hon. Mr. Wells: Altogether, the group consists of 13 persons—seven named by the Ontario Teachers' Federation, four ministry officials and two representatives of the Ontario Association of Education Administrative Officials.

Mr. S. Smith: The Premier couldn't get a job as education consultant in Timbuktu.

Hon. Mr. Wells: The members of this technical working group are: Mr. Ross Andrew, president, Ontario Teachers' Federation, who is on leave from the Ottawa Board of Education; Mrs. Debra Richardson, a teacher at Camilla Road Senior Public School, Mississauga, Ontario; Mr. Roger Des Groseilliers, teacher at Ecole Secondaire, Algonquin, North Bay; Mrs. Edna Gannon, principal, St. Gregory School, Oshawa; Mr. Jack Cronin, vice-president, Ontario Secondary School Teachers' Federation, Toronto, and a teacher at South Lincoln High School, Smithville; Mr. Jack Lever, English consultant with the Etobicoke Board of Education, Etobicoke; Mr. Emmerson Lavender, director of education, Halton Board of Education, Burlington; Mr. Frank Fowler, superintendent of schools, Frontenac-Lennox and Addington Roman Catholic Separate School Board Kingston.

Mr. Breithaupt: Nobody from Lambton?

Hon. Mr. Wells: Mr. Douglas Penny, Mr. Lloyd Thompson, Mr. Jacques Giroux, and Mr. Ian McHaffie, of the research and evaluation branch of the Ministry of Education.

Mr. S. Smith: The biggest ministry in the government and you can't do your own curriculum planning.

Hon. Mr. Wells: I said this is a unique group. That is because it is not a study group in the ordinary sense but rather a group with a very specific mandate of great significance for the quality of education in our schools. To a large degree the study has been done over the past year.

What we want and expect now is a definite plan of action on how best to improve testing and evaluation in the classrooms, and how best to give teachers and parents a clear understanding of how their children are progressing so that they will be able to provide

appropriate assistance and encouragement as required.

A second notable characteristic of this group is that it is dominated numerically by representatives of the teaching profession. Let me say only with the teachers' help, we believe, can we make positively sure that the steps we take related to testing and evaluation will be in the best interests of pupils, their parents and the education system in general.

We know that the whole matter of testing and evaluation deserves urgent attention and I give credit to the Ontario Teachers' Federation in sharing this concern and, more importantly, in joining us in coming to grips with it.

The group which I have named has a big job. Its task will be to come up with a feasible and sound plan by which the evaluation of pupil achievement can be improved so that both teachers and parents, as well as students themselves, can see where more efficient or different approaches may be required.

As it proceeds with its assignment, a considerable amount of research and background information will be available. For example, officials of our new reasearch and evaluation branch have over the past year become very familiar with practices elsewhere.

Mr. Peterson: We forced you into it.

Hon. Mr. Wells: Also, the major research study dealing with the transition of students from secondary school to college or university —commonly called the interface study—will be available soon. It, too, will provide some very important insights in regard to the whole matter of evaluation and examinations.

Further, we have another research study about to begin which will survey pupil tests which are presently available from publishers and other sources, and will examine methods by which test results are communicated to parents.

In establishing the work group, we have three primary objectives: First, we want to help teachers to diagnose better any specific deficiencies in the levels of pupil achievement, especially in the basic skills, to help them improve classroom instruction and to work with individual students as required.

Second, we want to give all levels in the education system practical information which will help determine whether curriculum objectives are being met, and to assist in bringing about improvements where required.

Third, we want to give parents clear and understandable information about their children's progress and achievement, especially in the key basic skill areas, so that they can give assistance and encouragement at home, and more knowledgeably—

Mr. S. Smith: Word for word from our report. Suddenly inspired.

Hon. Mr. Wells: —discuss things in a constructive way with teachers. If there is a single overriding objective which we have in this renewed focus on evaluation and testing of pupil performance—

Mr. S. Smith: It's to win votes.

Mr. Cassidy: It's to stay in power.

Hon. Mr. Wells: —and achievement, it is that we want to ensure that "challenge" and "success"—

Interjection.

Hon. Mr. Davis: I mean, you are trying very hard, but is that true?

Mr. Sweeney: Would you like another copy of our report?

Mr. S. Smith: The road to Damascus.

Hon. Mr. Wells: —are meaningful words in every classroom in this province. Challenge and success—

Hon. Mr. Davis: That's right, none of this criticism.

Mr. S. Smith: Suddenly inspired.

Hon. Mr. Wells: Challenge and success, not failure.

Mr. Peterson: Sit and listen to that, Bill.

Mr. Sweeney: Plagiarism to the nth degree.

Mr. Peterson: You should be embarrassed.

Hon. Mr. Wells: Pupils have to be challenged to perform to the limit of their ability. Standards must be high. We must support our teachers in striving for and expecting top performance from their pupils, always remembering—and I can't stress this too much because it must be stressed—that the capabilities of each individual student are unique and cannot be standardized or categorized only by neat marks on a chart or a report card.

Mr. Renwick: You should have put that first.

Hon. Mr. Wells: We obviously have high expectations for the technical work group which is meeting for the first time today. It is a large and significant mandate which we have given them, and one that will doubtless continue over a period of time.

However, it is our hope that by the end of March, 1977, some specific ideas and plans will be forthcoming, which will have application in our schools next fall.

Mr. Sweeney: That's two thirds of the Liberal document. When are you going to take the last third?

Mr. Speaker: Oral questions.

PRICES AT HIGHWAY SERVICE CENTRES

Mr. Deans: Mr. Speaker, I would like to ask the Minister of Transportation a question. In his statement he indicated that he was well satisfied with the co-operation he got from Esso. What became of the co-operation from the others? Is there a similar kind of reduction in prices forthcoming from the other oil companies that operate on the two routes mentioned?

Hon. Mr. Snow: Mr. Speaker, a similar letter to the one that went to Imperial Oil Limited putting forward our proposal went to all the oil companies that hold leases on our freeway system. Imperial Oil has been the first one to react and reply to us and agree to these reductions.

Mr. Deans: Supplementary question: Has it ever occurred to the minister, since he has almost total control over who operates on these highways, that it might be in the best interests of the motoring public if he were to have some formula that would guarantee the maximum price to be charged, rather than leave it up to the whims of the oil companies and their discussions, one with the other, to decide what they want out of the public that buys from them?

Hon. Mr. Snow: That certainly is something that we looked into, and it has been the cause of one of the delays in coming to a solution to this problem. We were advised by my legal department that we should clarify any action that we would take with regard to the changes in the prices with the combines branch of the federal government. My legal staff took this matter up with Ottawa and we received back, I would say a month or two ago, correspondence—which I don't have with me this morning—stating that it was the combines branch ruling that we would be contravening their regulation if we were in any way to enter into agreements with all the oil companies in an attempt to fix gasoline prices at these stations.

Mr. Renwick: You could do it.

Mr. Peterson: Supplementary: Is the minister saying that if these other companies don't voluntarily comply there is no action that he will take? Is he saying it's voluntary on their behalf and he is not going to take any further action if they don't voluntarily decide to comply with his wishes?

Hon. Mr. Snow: I think, following from my previous answer, we are not able, under the federal legislation, to fix prices at the service stations. The adjustments to be made to their lease costs, due to deleting these excessive increases from the price of the gasoline before the lease costs are calculated, are only going to be made if we are totally assured that the full saving is passed on to the motorist. If those stations decide to keep their costs at the higher price, they will not benefit—I'm sure that obviously, because of competition, they will come to the altar.

Interjections.

Mr. Peterson: Supplementary: Are you prepared to enforce that?

Mr. Speaker: Order, please.

Mr. Germa: A supplementary: What sort of monitoring system has the minister in place to ensure that the remissions go to the benefit of the consumer and not to the benefit of the profit picture of Imperial Oil?

Hon. Mr. Snow: I don't know whether that question really deserves an answer or not. I've stated—

Interjections.

Hon. Mr. Snow: —that the decrease in the amount of the lease will only take place if we know and have proof that the saving is being passed on to the consumer. We have the calculations from Imperial Oil on the decrease it will be making in the price of gasoline at its stations. We will be monitoring this to make sure that those prices stay at that rate.

Mr. Singer: Would the minister say that the opinion he got from the people in Ottawa went so far as to say he couldn't fix the maximum price or fix a price? Surely it's not an offence under the combines legislation to fix a maximum?

Mr. Renwick: Or a price for this government.

Hon. Mr. Snow: Rightfully or wrongfully I have taken the advice of my legal advisers within the ministry; I think rightfully. I have read the letter from the combines branch myself. Granted it was a couple of months ago and I don't recall the exact details, but it was certainly the opinion of my ministry that we could not enter into agreements fixing prices.

Mr. Singer: I said "maximum."

Hon. Mr. Snow: I believe that also falls into the same category.

Interjections.

Mr. Deans: One final supplementary question in regard to this matter: Given that it's our opinion that The Combines Act does not bind the provincial government, how can the minister claim that the competitive aspects of the free market have any bearing on the prices on those controlled-access highways when the stations are strategically placed far enough apart that motorists cannot possibly pass them by in order to get to the next one? What nonsense.

Interjections.

Mr. Speaker: Order, please.

Hon. Mr. Snow: First of all, I'm going to take the legal opinion of my solicitors before I take the member's. That's the first point. Secondly, those service centres are not that far apart that motorists have to stop at every service centre.

Mr. Shore: No, you don't, not for gas anyway.

Mr. Breithaupt: It is handy, if they are near Tillsonburg.

Hon. Mr. Snow: Thirdly, I expect that the press will be reporting the fact that these decreases have taken place at the Imperial Oil stations and the public will be well aware of where they can buy their gas for less, if the other companies do not follow.

EDUCATION GRANTS

Mr. Deans: Mr. Speaker, I have a question for the Minister of Education. Can the Minister of Education tell us whether or not, in conjunction with the study being undertaken or the direction being undertaken, he has given any consideration to a further evaluation of the per capita grant structure to try to bring the elementary school system closer to par with the secondary school system, in order that there can be a sufficient amount of money available within that system to give the basic grounding in education which is required?

Hon. Mr. Wells: Mr. Speaker, of course our grant system is always under review and as a matter of fact we are in the process of having a joint group look at the grant system for financing education in this province.

Mr. Mancini: Everything you do is under review.

Mr. Warner: It is getting worse.

Hon. Mr. Wells: They'll be meeting shortly. It's not a formal technical group like this; it's an input group of trustees, teachers and experts in the finance field to study the whole idea of grant systems.

Mr. Peterson: You should legislate him right out of the ministry.

[10:30]

Hon. Mr. Wells: Certainly one of our objectives is to make sure the elementary system has the resources to do the kind of job we know it should do and is expected to do. In fact, my friend might be interested in knowing that the thrust that we have put in the elementary school system in the past several years has led to what I saw the other day, that the pupil-teacher ratio figures in the elementary schools, taking all those who have teaching certificates, are now just a little below 19 to one, compared with just about 16.8 to one in the secondary schools.

Mr. S. Smith: There are 36 in my kid's class because the teachers are administrating.

Mr. Shore: Bright kids.

Hon. Mr. Wells: There is, in fact, only about a difference of three in the provincial pupil-teacher ratio between elementary schools and secondary schools in this province now.

Mr. Sweeney: That is 20 per cent.

Mr. Deans: A supplementary question: In this in-house review that he is conducting, would the minister be prepared to table with the Legislature the actual pupils per class per teacher actually teaching, rather than the overall ball-park figure, which takes into account a great number of people who are either administering or who are involved in other than teaching in the classroom?

Hon. Mr. Wells: Of course, I can't table that figure for the hon. member, because what is done at the local level, pupil-teacher ratios having been set, is the responsibility of the local school board. We are in the midst of elections across this province right now—

Mr. Deans: You noticed that?

Hon. Mr. Wells: That's right.

Hon. Mr. Snow: We thought the member was going to be involved.

Hon. Mr. Davis: He nearly was.

Hon. Mr. Wells: The very questions the hon. member is directing here should be directed by the people to the trustees they are electing, because to a great degree they are the ones who set that kind of policy. They are the ones who decide how many teachers will teach full-time in classrooms, how many will teach part-time, how many administrative staff they will have, what kind of consultant staff and so forth. The hon. member should be putting his thrust in that direction.

Mr. Mancini: High-paid administrators.

Mr. Moffatt: You decide that.

Mr. Speaker: Order, please.

Mr. Nixon: Supplementary: I would like to ask the minister why the influence of the teachers' professional organizations is so great now, when the report which called for these changes was available to him, as it was to us, and raised in the House in the spring of 1975? Why has there been this unconscionable delay in seeing that the direction—

Mr. Speaker: Order, please. Has this to do with the grant system, which was the subject of the first question?

Mr. Nixon: Mr. Speaker, the question that was put to the minister first said, "On the basis of his statement, I would like to ask what the standards are." I submit, sir, that my comment is on the basis of the statement—

Mr. Speaker: Order, please. The question had to do with the possible increase of grants for the elementary school system, and it seems to me the hon. member's question is appropriate but not to this first question.

Mr. Nixon: On the point that you raise, Mr. Speaker, I will of course be governed by your statement. But do you recall the hon. member who asked the question saying, "On the basis of his statement—"?

Mr. Speaker: Order, please. I have made my ruling on that. It had to do strictly with the possible increase of grants.

Mr. Mancini: Why don't you listen to what he says?

Hon. Mr. Handleman: The question wasn't based on the statement, Bob.

OHTB BUS LICENCE

Mr. Deans: I have one final question, for the Minister of Transportation and Communications: Has the ministry done any calculation to show what the likely increase in subsidy will be if, as and when Trailways and Greyhound move into the more lucrative routes of the Gray Coach Lines?

Hon. Mr. Snow: No, we have not carried out any such study because, of course, we do not subsidize Gray Coach, Greyhound, Trailways, Stock Brothers or whoever else the hon. member is inquiring about.

Mr. Deans: Doesn't the minister realize that many of the routes that are being provided by Greyhound—

Hon. Mr. Snow: Gray Coach.

Mr. Deans: Gray Coach, I am sorry—are being subsidized directly from the more profitable routes that are likely to be handed over in part, if not in total, to Trailways and Greyhound—

Mr. Breithaupt: They've got stickers on the door.

Mr. Deans: —and it is eventually going to have to come to the government for assistance or this public company will not be able to operate in the areas where it is needed?

Hon. Mr. Snow: I don't accept that fact at all—

Mr. Breaugh: Which facts do you accept?

Hon. Mr. Snow: The intercity passenger business is surviving and doing very well in the province of Ontario. I don't believe there's necessarily any reason that there would be any necessity for subsidies in the intercity bus systems.

Mr. S. Smith: By way of supplementary—

Mr. Speaker: The hon. member for Hamilton West may call it a supplementary or his main question. It is his turn now anyway.

Mr. S. Smith: I'll call it a supplementary because that is what it is. Is the minister not aware of the public statement made by the head of the TTC, which owns Gray Coach, that it may well have to cut back the routes to Beaverton and Owen Sound and other rural and inter-urban routes because the $2 million to $3 million profit which it makes on the Sudbury and Buffalo lines will now likely be denied it and that as a consequence it will be in a losing position? Since it is owned by the TTC, the TTC deficit picture will therefore likely increase. Does the minister not see that connection?

Hon. Mr. Snow: No, I don't. First of all—

Mr. Kerrio: Buy more stickers to advertise the loss.

Hon. Mr. Snow: —the granting by the Highway Transport Board of partial parallel privileges to other operators does not take away anything at all from the operating rights of Gray Coach Lines.

Mr. Deans: It is not going to carry the same number of passengers.

Mr. Speaker: Order, please.

Hon. Mr. Snow: I was very surprised when several times, many times, during the estimates of my ministry members of the third party made a very strong point as to service to the public in transportation and the requirement for competition in both the bus and truck industries.

Mr. MacDonald: They are as mixed up as you are.

Hon. Mr. Snow: The Highway Transport Board considered all the evidence put forward—the representations of many municipalities involved in this and, I think, some 70 presentations from private citizens relating to service. On the basis of its mandate, the board decided in the public interest that these additional licences should be granted.

Mr. Speaker: A final supplementary on this question.

Mr. Deans: Doesn't the minister feel that as a matter of policy those routes which are most lucrative should not be granted to private companies over public companies unless they are prepared to take their share of the less lucrative routes along with them?

Hon. Mr. Snow: It is only natural, I think, that the hon. member's philosophy regarding private companies and public companies and mine differ considerably.

Mr. MacDonald: It is your philosophy that is now willing to undermine public enterprise after it has been established.

Mr. Peterson: Answer the question.

Mr. Breithaupt: Who is to service the others?

Mr. Speaker: Order, please.

Hon. Mr. Snow: I believe the companies involved—

Mr. S. Smith: Did Eddie Goodman offer to service Owen Sound too?

Mr. Speaker: Order, please.

Hon. Mr. Snow: —offer many services on many different routes throughout this province and throughout Canada.

PUBLIC TRANSPORTATION POLICY

Mr. S. Smith: I will ask a new question of the Minister of Transportation and Communications. Is there any government policy whatsoever governing the movement of people by bus? Has there been any adoption in particular of the following two points. One, is there or is there not a policy in Ontario which seems to have been for one carrier on one route? Two, is the government now trying in some way to discourage urban transportation operators from getting into or staying in the inter-urban and rural fields of transportation?

Hon. Mr. Snow: First of all the policy of the government is set forth in The Public Vehicles Act under which the Highway Transport Board carries out its duties. To my knowledge, there have been no changes recently to that Act which would change any policy. In many cases, only one operator has been or is licensed to operate over a particular route. On the other hand, public bus intercity transportation has been growing considerably. It is being encouraged. It is becoming a more major mode of passenger transportation. There is no reason when service demands it, that there should not be more than one operator on any particular route.

Mr. Cassidy: There is no policy.

Mr. S. Smith: By way of supplementary: Since it seems perfectly obvious that in the recent decision by the Highway Transport Board there is a genuine threat, not only to the taxpayers inasmuch as the financial position of Gray Coach has been seriously weakened—even as a company to sell to

private enterprise—but inasmuch as the routes in the rural areas and in the smaller areas of Ontario are now seriously threatened, will the minister delay signing the certificate which comes his way from the Ontario Highway Transport Board and is required prior to the granting of a licence, after which the appeal could take place? Would he delay signing that certificate and permit Gray Coach to make its case before some possible committee of the Legislature or before even the minister or his cabinet, so that there can be a public transportation policy in Ontario prior to this policy being made by tribunal, which is what's happening now?

Hon. Mr. Davis: One day you want a tribunal, the next day you don't.

Hon. Mr. Snow: No. First of all, I do not have to sign any certificate. The certificate to operate has been issued by the Highway Transport Board. It would be a normal process for my ministry on the presentation of that operating certificate to issue the operating licence. As I think I stated yesterday, under the provisions of the Act either party or any party in the action can appeal to the Lieutenant Governor in Council. I don't think it would be appropriate for me to delay the issuing of every licence under a certificate of the Highway Transport Board for 60 days to see whether there was going to be an appeal or not. This would delay the whole operation of the issuance of licences.

Mr. Nixon: This one you should.

Mr. Deans: Does the minister feel that maybe it would be appropriate for the government to establish a policy with regard to public transportation and set out clearly what it expects from any carrier given any licence in the province of Ontario?

Hon. Mr. Snow: That policy is very plain.

Mr. S. Smith: By way of final supplementary, is the minister not clear that we're not asking for review of every case that comes before the board? But in this particular case, would he consider a new public hearing, as he's permitted to do under 21(b) of the Act? Would he consider a public hearing in this case because it appears that policy is being made basically in a vacuum? Because there's no government policy, policy is being made by an administrative tribunal.

Hon. Mr. Snow: First of all, that is totally incorrect.

Mr. S. Smith: It is completely correct.

Hon. Mr. Snow: It is totally incorrect.

Hon. Mr. Davis: Totally. That means completely incorrect.

Mr. S. Smith: I will stand on this any time.

Hon. Mr. Snow: The mandate of the Highway Transport Board in dealing with applications for operating authority under either The Public Commercial Vehicles Act or The Public Vehicles Act is related to evidence that is presented before that board.

Mr. S. Smith: You don't care about the small sectors, do you, as long as your friends do okay?

Hon. Mr. Snow: It is related to the need to serve the public over the particular routes that are under consideration. The Highway Transport Board issued the certificate based on a great deal of evidence, on seven days of hearings, evidence put forward by both Gray Coach and the various applicants, evidence from municipal councils, resolutions, I believe, from municipal councils and evidence from the public that additional and improved service was needed on these routes. As I stated, there is a provision in the Act for an appeal to the Lieutenant Governor in Council. If that takes place, of course it will be considered.

Mr. Cunningham: Given the minister's predisposition on this particular case, will he disqualify himself from any appeal that may go to cabinet?

Hon. Mr. Snow: I would say no to that because I have not taken any previous position at all.

Mr. Cunningham: You just said so on TV yesterday.

Hon. Mr. Snow: I have said that personally as a minister I am not about to delay the certificate that was granted by the board—

Mr. Cunningham: That's not what you said.

Hon. Mr. Snow: —and that there are proper provisions for the dealing with this matter.

Mr. S. Smith: That's not what he said on television.

Mr. Conway: That is not a position.

Hon. Mr. Snow: If Gray Coach is so inclined, it can appeal the decision in the proper manner.

[10:45]

CONFERENCE ON MENTALLY RETARDED

Mr. S. Smith: A question to the Minister of Community and Social Services: Can he confirm that 60 officials from his ministry recently attended a conference in Ottawa, held by the National Association for the Mentally Retarded during the weekend of October 16, in which 14 of them were scheduled to take an active part? Does the minister feel that that is showing admirable restraint at a time when the Children's Aid Societies and other social services are very much in need of extra dollars?

Hon. Mr. Rhodes: They can be flown in by Otto Lang as a courtesy trip.

Mr. Breithaupt: Does that make it right?

Mr. Nixon: They wouldn't have to use Otto's plane. They could use the plane that goes to Chatham every weekend.

Hon. Mr. Rhodes: How about the helicopter coming to your farm?

Hon. Mr. Taylor: No, I cannot confirm that.

Mr. S. Smith: A brief supplementary: will the minister be kind enough to look into this matter and then table all expenses related to this conference, including travel, accommodation and registration costs?

Hon. Mr. Taylor: I'd be delighted to review that particular situation and afford the member the necessary information.

LAND TRANSFER TAX

Mr. S. Smith: I have a question for the Treasurer. Given the Treasurer's own somewhat publicized remarks that the land transfer tax has been under review by his staff and given the dismal state of housing starts, particularly multiple-dwelling accommodation under his regime, can he explain please why he did not include in his mini-budget the removal of the land transfer tax, at least as it applies to the building of apartment buildings or other multiple-dwelling units?

Hon. Mr. Davis: There goes the support of the Star.

Hon. Mr. McKeough: I think it was two weeks ago that I indicated I had instructed my officials, who are working with Consumer and Commercial Relations, Industry and Tourism and Revenue, to review these two taxes to see if changes are needed. That review is not yet complete. In the meantime, I would point out—and it must be obvious to the leader of the third party—that we have been dealing with a number of situations by way of exemptions because we are concerned about housing in this province.

Mr. Breithaupt: Louder.

Mr. S. Smith: By way of supplementary, directly pertinent to the temperate remarks of the Treasurer, do I take it then that the only policy the Treasurer is able to come up with to stimulate housing and multiple-dwelling accommodation is to continue by way of exemption in the hope that people will apply for these particular exemptions, and that there is no other policy to stimulate housing and construction in the province of Ontario at this time, other than these particular exemptions which the Lieutenant Governor in Council grants at its own pleasure from time to time?

Mr. Moffatt: Go get 'em.

Mr. Nixon: Did the Treasurer really get Ronto its exemption?

Interjection.

Mr. MacDonald: Calm down.

Mr. Speaker: Meanwhile back to the question.

Hon. Mr. Davis: The temptation is great.

Interjections.

Mr. Speaker: Order, please. We're all waiting for the answer.

Mr. S. Smith: He needs time to think.

Mr. Speaker: Order, please. The minister has the floor and he can answer the question.

Hon. Mr. McKeough: Thank you, Mr. Speaker. It is my understanding that my colleague, the Minister of Housing, spent some days before the resources development committee of the Legislature. I'm sure at that time he was able to put in front of that committee, and through them to the Legislature—

An hon. member: You should have been there.

Hon. Mr. McKeough: —our record in terms of house construction, which this year is going to be up. Starts are up slightly over last year.

Mr. Nixon: It speaks for itself.

Hon. Mr. McKeough: Our record in terms of a proportion in Canada is a good one. We're disturbed that there are unsold houses in Metropolitan Toronto and elsewhere in the province in large numbers. The problem is not as much one of supply; it is one of demand. My own view would be that interest rates are having a very substantial effect on moving new housing units today. Interest rates are not something that are in the responsibility of this Legislature or this government. But I'm sure that if the leader of the third party has something constructive to add to this ongoing debate about housing construction, the Minister of Housing would be pleased to engage in that debate with him.

Mr. Warner: He is called the minister without housing.

Hon. Mr. McKeough: There is a time and a place to do it. I would say to the member that his question is refreshing because it indicates a concern for something other than the wild goose chases he's been on for the last few days.

Interjections.

Mr. Speaker: Order. We'll have a supplementary from the member for Ottawa Centre first of all.

Mr. Ruston: Jack Miner's got lots of geese.

Hon. Mr. Henderson: He has lots of geese. Send them to your leader.

Mr. Cassidy: Mr. Speaker, a supplementary to the Treasurer. Perhaps I could put the question in more general terms. Could he assure the House that his government now agrees with the Liberal Party that Ontario should once again become a happy hunting ground for foreign land speculators?

Mr. Speaker: Order, please. That's not supplementary.

Interjections.

HOUSING STARTS

Mr. S. Smith: A final question following directly upon the Treasurer's remarks: Since his exact words were that housing starts are up slightly and that the record is a good one vis-à-vis the rest of Canada—

Hon. Mr. Bennett: Stop the world. I want to get off.

Mr. S. Smith: —and since he blames interest rates which, after all, apply equally throughout the country, how can he therefore say such things? How does he account for the fact that in Ontario urban starts in the first 10 months of this year have increased only eight per cent whereas in the rest of Canada, with the same interest rates, with the same problems in the economy, urban starts are running 20 per cent ahead of last year? Why doesn't he admit he has no policy in housing?

Hon. Mr. Kerr: Because there was a shortage but—

Mr. S. Smith: Is that a good record?

Hon. Mr. McKeough: If the member knew anything he would know that we have led this country in housing starts for a number of years. We are getting to the point where the rest of the country is starting to catch up somewhat.

Mr. Conway: Louder.

Mr. Speaker: Order, please.

Hon. Mr. McKeough: He is not—

Mr. Conway: A little louder.

Interjections.

Hon. Mr. McKeough: Mr. Speaker, I would simply say—

Mr. Riddell: Have you had your shots for distemper yet?

Hon. Mr. McKeough: —that this province is not always going to be ahead of other provinces in terms of growth. If we sincerely believe in this country—

Mr. Peterson: Dismally behind.

Hon. Mr. McKeough: —in doing something about regional disparities, we will not always lead the rate of growth.

Mr. S. Smith: But stimulate housing, for God's sake.

Hon. Mr. McKeough: Our rate of growth in housing as a proportion of the total over the last few years—

Mr. Warner: Switch to building court houses.

Hon. Mr. McKeough: —and again this year is very good. If the member would stop nitpicking and look at some of the facts which the Minister of Housing puts in front

of the House, he'd be a lot better off. He's not going to get anywhere going around with this gloom and doom—

Mr. S. Smith: Gloom and doom?

Interjections.

Mr. Speaker: Order, please.

Hon. Mr. McKeough: —because he doesn't know what he's talking about. He really doesn't know what he's talking about.

Interjections.

Mr. Speaker: Order, please. That was the final supplementary. It's developing into a debate. The hon. member will take his seat.

Mr. S. Smith: The incompetence of the ministry is unbelievable.

Mr. Speaker: Order, please. This has developed into a debate. Does the hon. member for Hamilton West have a separate question or was that the final one?

Mr. S. Smith: That's the final question.

Mr. Singer: Shouldn't you call the Treasurer to order after a dissertation like that?

PREMIER WOODWORKING

Mr. Lupusella: To the Minister of Labour; Mr. Speaker: Now that the Minister of Labour has a clear view of the situation with regard to Premier Picture Frame and the injured workers being fired by the company since—

Mr. Kerrio: Darcy has given up trying for the leadership.

Mr. Lupusella: —on November 10, 1976, I raised a question in the Legislature as to whether or not the Minister of Labour was ready to reinstate full compensation to those injured workers who lost their jobs as a result of that action and consequently were cut down by the board to 50 per cent in some cases and totally in some others—

Mr. Mancini: Speech.

Mr. Lupusella: —can the minister tell the House what she has been doing with the Workmen's Compensation Board to make sure those injured workers will get full compensation as soon as possible until such time as suitable employment is found by the rehabilitation department of the board?

Mr. S. Smith: You are doing well in Education and Housing, you guys. Keep it up.

Hon. B. Stephenson: Mr. Speaker, as the hon. member well knows, some of the employees who were retired from the Premier Picture Frame Company had that action taken because of their incapacity to do the job as a result of their physical limitations.

Interjections.

Mr. Speaker: Order, please.

Hon. B. Stephenson: If hey agree to return to the rehabilitation process they will, of course, receive full compensation benefits during that process and until suitable employment is found. Those who were injured or reinjured themselves on the job are, of course, being compensated.

I can tell the member as well that the vocational rehabilitation officer of the Workmen's Compensation Board is spending a good deal of time specifically with that company in order to improve the situation as much as possible for the workers who are employed there as a result of the direct action of the injured worker who is the president of the company.

Mr. Lupusella: Supplementary: Can the minister tell the House whether the board has an organized method for evaluating the quality of jobs offered to injured workers by prospective employers? Is there a blacklist of such employers and how much supervision does the board do of employers of injured workers so that the same situation found at Premier Picture Frame won't happen again?

Hon. B. Stephenson: There is investigation of the plants themselves, of the motivation of the employers, of the kinds of jobs which are going to be made available. There are inspections carried out by the rehabilitation officers as well which are reported to the rehabilitation programme at the Workmen's Compensation Board.

This situation, I gather, has been unique in the experience of the board and it's one which it is looking at very carefully. We are attempting to ensure that any aberrant situation does not occur in this kind of programme but it's a unique programme and it's one which both the board and, I think, the employers are trying very hard to make work.

BRADLEY-GEORGETOWN HYDRO ROUTE

Mr. Reed: Mr. Speaker, I have a question for the Attorney General. Since the Bradley-

Georgetown corridor hearings of necessity were called off at noon yesterday to obtain a judicial ruling on admissibility of evidence, would the Attorney General avail himself of the time between now and next April, which is the date of recall, to study the revelations made there in the last few days—namely, the evidence that Dr. Solandt owned property close to one of the corridor options in the study, an option which was dropped, and that the lawyer representing Hydro is on loan from the office of the Attorney General, as is the hearing chairman, and no such loan of personnel was offered to the farmers and landowners? Would the Attorney General satisfy himself and this House that these revelations do not constitute any conflict of interest?

Hon. Mr. McMurtry: I am not aware of the details related to these hearings of the past two days. I assume the member is making an allegation of conflict of interest—

Mr. Eakins: No, he is just asking a question.

Mr. Mancini: He didn't say that.

Mr. Speaker: Order, please.

Hon. Mr. McMurtry: —in typical third-party fashion, creating or trying to create a cloud of suspicion and innuendo about people who are serving the public of this province to the best of their ability.

Interjections.

Hon. Mr. Kerr: Old Wintermeyer Smith.

Mr. Speaker: Order, please.

Hon. Mr. McMurtry: I will look into it.

Mr. S. Smith: On a point of privilege, Mr. Speaker, this House has been through some very difficult days recently and I know I have played my own part in it as well, but, really, can opposition members not question the government about events which are going on which could involve possible conflict of interest—about which we do not have information but simply suspicions from time to time—can we not raise these questions without accusing anybody and not be accused ourselves of muckraking? Is it to be absolutely impossible to question this government?

Hon. Mr. Kerr: Yes, but don't slough it off on a back-bencher.

Mr. Speaker: Order, please. The question was allowed. No one denied that.

Mr. S. Smith: But we were accused. Call him to order.

Mr. Speaker: I might say that there have been innuendoes passed back and forth on both sides of the House and, really, it lowers the dignity of the chamber and the question period.

Mr. Cassidy: If you can't stand the heat, get out of the kitchen.

Mr. S. Smith: Why don't you ever look that way?

Mr. Speaker: Order, please. That behaviour doesn't help any either, I might say. I mean the interjections. Order, please. I'm talking to everyone. I'm headed this way because the microphone is this way.

Mr. Reed: Mr. Speaker, on a point of personal privilege, I would like to make it clear to this House that I was not indulging in any innuendo. I was simply relaying information which was presented as evidence at the corridor hearings in Acton this week.

An hon. member: The Attorney General should withdraw that statement.

Mr. Speaker: The hon. Attorney General said he would look into it, I'm sure.

[11:00]

Mr. Germa: Mr. Speaker, the Minister of Natural Resources is on his way out of the chamber. I wonder if I could put a question to him?

Mr. Speaker: Perhaps he can hear you on the way back to his seat.

FROOD MINE INQUIRY

Mr. Germa: Is it the minister's intention to conduct a complete review of the Frood Mine No. 3 shaft operation, as recommended by the coroner when inquiring into the death of Mr. James Cullen last week in the city of Sudbury?

Hon. Mr. Bernier: I didn't hear the first part of the question, Mr. Speaker.

Mr. Speaker: Could you repeat it?

Mr. Germa: Is it the minister's intention to conduct a complete review of the operation at Frood No. 3 shaft, as recommended by the coroner's jury in its inquiry into the death of Mr. James Cullen last week?

Hon. Mr. Bernier: Yes, Mr. Speaker, that is our definite intention.

Mr. Germa: Could I ask the minister when the review will be getting under way?

Hon. Mr. Bernier: I'll ask my staff to give me a date on that. I should have the information by Monday next as to when it can get under way.

PELEE ISLAND POLICING

Mr. Mancini: Mr. Speaker, I have a question of the Solicitor General: Is the minister aware that OPP officers were called to Pelee Island at 7 p.m. on Saturday, November 20, following a violent incident and they did not arrive on the island until November 22, which was Monday? Also, is the minister aware that because of the islanders' frustration due to lack of adequate police protection they are threatening to form small vigilante groups?

Hon. Mr. MacBeth: Mr. Speaker, I am aware of part of what the hon. member has asked, but certainly not all of it. I haven't heard that last part at all. Our problem with Pelee Island is that it has a population of 644 people. During the summer months and in the fall of the year, especially during the pheasant hunting season, a large number of American and Canadian tourist-hunters frequent the island, but during the rest of the season it is relatively quiet. There is limited transportation to Pelee Island. The size of population doesn't in itself warrant a police officer to be stationed there all the time.

I admit there are problems in getting back and forth. If there is an emergency we will fly an officer over, but that becomes a very costly operation. We are presently trying to see what we can do about improving the situation. There is a ferry that goes once a day or so in the off season, and I admit that's the way that our police officers ordinarily have to go across. We will do what we can to give better patrol of the island, sir.

Mr. Mancini: Supplementary: Is the minister prepared to tell this House why it took two days for an officer to get over to the island, and is he prepared to report to this House what kind of police protection he is ready to offer these islanders?

Hon. Mr. MacBeth: Mr. Speaker, I thought I had given some explanation of why it took a little time to get over to the island.

Mr. Mancini: Not too much.

Mr. Conway: Might you send Lorne down?

Hon. Mr. MacBeth: I suppose we could supply them with a helicopter just to go over to Pelee Island, but I don't think the opposition is really asking that. I have said we would see what we could do to improve it. It is not an easy situation, but I will investigate this particular matter that the member has asked about.

Hon. Mr. Henderson: Should I come down, Remo?

Mr. Nixon: You spend most of your time there except when you are in Grand Bend.

Mr. Bounsall: A supplementary to the Solicitor General on this matter: Being as the residents of Pelee Island pay taxes for adequate police protection and being as it is not being provided easily in this case, would the minister consider arranging a rebate of taxes—

Hon. Mr. MacBeth: Mr. Speaker, I cannot hear the entire question.

Mr. Speaker: Order, please. We can't hear the question here with the cross-conversations going on. Please!

Mr. Bounsall: —so that they could at least hire some adequate officers themselves if they can't be serviced in the normal way by the OPP?

Hon. Mr. MacBeth: Mr. Speaker, I couldn't hear the entire question, but I gathered it was, would we subsidize some other officers over there. Was that the question?

Mr. Bounsall: Rebate the taxes, yes. Being as there are difficulties with the OPP properly servicing that island, being as those residents pay taxes as well, would the minister consider an arrangement whereby some provincial tax rebates could go to that island in order that the people be able to provide adequate protection themselves?

Hon. Mr. MacBeth: No. We will give them adequate police protection and they have adequate police protection. All I'm saying is that we can't get an officer over there in five minutes. There are many other parts—let's be realistic about it; sometimes in this House the hon. members opposite just don't realize the realities of life.

Interjections.

Mr. Speaker: Is there any other response to this question?

Hon. Mr. MacBeth: There are many areas of the province where we can't give immedi-

ate police service or where we can't give immediate fire service. All I'm saying we will do the best we can. But as for giving any tax rebate that's utter nonsense.

Mr. Speaker: The member for Windsor-Walkerville.

Mr. Breithaupt: Why can't we take one supplementary question?

Mr. Speaker: There was a final supplementary. This is the next turn.

Mr. Breithaupt: That was a new question, Mr. Speaker.

INFLUENZA VACCINATIONS

Mr. Burr: I have a question of the Minister of Health regarding the Victoria flu vaccine, of which there are no supplies available in Ontario this fall. Since many heart patients are being advised by their physicians not to take the swine flu shots but to take their regular annual Victoria flu shots, can the minister predict when supplies will be available in Ontario?

Hon. F. S. Miller: I'm very discouraged if doctors are recommending to someone not to take the bivalent shot, because it contains the Victoria vaccine. In fact, it's one of the safest vaccines that has been produced yet. It has a lower reaction rate, I am told, than any of the other previous vaccines have had.

I mentioned yesterday that we had ordered from some Canadian sources of supply. I've learned since that that contained Hong Kong and A-Victoria 75 as the basic content and that that material did arrive in Ontario—I think 100,000 doses—and was available through the central pharmacy. I would still say that if a doctor thinks any patient in this province with a chronic lung or heart disease requires A-Victoria 75, then that doctor should be recommending that they take the free bivalent swine flu, Victoria vaccine.

Mr. Burr: They know that.

FUNDING AND TUITION FEES

Mr. Sweeney: I have a question of the Minister of Colleges and Universities with reference to his statement yesterday in which he claimed that the current tuition fee increase represents about 14 per cent of the costs going up to 16 per cent. On that basis how can he justify any increase for undergraduate university students, who are currently paying 26 per cent of their costs, which will rise to 30 per cent?

Hon. Mr. Parrott: I would think the member would have to indicate the particular undergraduate course that he had in mind.

Mr. Speaker: The oral question period has expired.

POINTS OF PRIVILEGE

Mr. Riddell: On a point of privilege, Mr. Speaker, I asked you yesterday if you would look into a matter and I thought you might come back with a report today. My question to you was, would you ascertain whether a member of Parliament can arrange a press conference for a constituent in this building, using the facilities here, at public expense?

Mr. Speaker: No, I really have nothing to say about that.

Mr. Reed: On a point of privilege, during the question period the Attorney General in reply to my question accused me—and I can't relay the exact words—of indulging in innuendo—

Mr. Speaker: I think we discussed that and the member should have brought it up at the time.

Mr. Nixon: He did.

Interjections.

Mr. Speaker: Order, please. The point of privilege should have been raised immediately.

Mr. Reed: I did raise it and I was cut off, Mr. Speaker.

Interjections.

Mr. Speaker: It is very difficult to hear with all the interference. I'll listen to the hon. member.

Mr. Reed: Thank you. I was accused of indulging in innuendo over simply stating some revelations that were made at these hearings. I was there when those revelations were made by the lawyers. I have not got the information secondhand, I was witness to this. I think, Mr. Speaker, that the Attorney General should withdraw that accusation.

Mr. Speaker: Does the hon. Attorney General have any comment on the statement of the member?

Mr. Peterson: A withdrawal.

Hon. Mr. McMurtry: I certainly have nothing to withdraw, Mr. Speaker.

Interjections.

Mr. Speaker: Order, please.

Petitions.

Presenting reports.

REPORTS

Hon. F. S. Miller presented the annual report of the Ontario Cancer Institute for the year ended December 30, 1975.

Hon. J. R. Smith presented the annual report of the Ministry of Correctional Services for the year 1975-76.

Hon. Mr. Davis: Mr. Speaker, I don't know whether this constitutes a report but I think I said to the member for Wentworth that I had sent a certain letter. I said earlier in the week that I would table a copy of the letter I sent, so I am tabling a copy of the letter which was sent to the boards of health and those connected with it.

Mr. Deans: Will the Premier table the answer when he gets it?

Hon. Mr. McKeough presented Volume 1, Financial Statement, Public Accounts, 1975-76.

Mr. Speaker: Motions.

Introduction of bills.

FUNERAL SERVICES ACT

Hon. F. S. Miller moved first reading of Bill 171, The Funeral Services Act, 1976.

Motion agreed to.

Hon. F. S. Miller: Mr. Speaker, this bill is a revision of the present Embalmers and Funeral Directors Act. The new bill does away with the distinction between funeral directors and embalmers. It creates only one type of professional, namely the funeral director.

For the information of the members, I would point out that all funeral directors in the past were embalmers.

The funeral directors will be governed in much the same way as other professionals are under The Health Disciplines Act, 1974. The bill also provides for the first time that funeral service establishments be licensed in order to control better the operations of such establishments. Hearings and appeals are provided for in all licensing matters.

Complaints by the public against licensed funeral directors or funeral service establishments will be dealt with in the same manner as under The Health Disciplines Act, 1974. The bill provides for the making of regulations governing the display of funeral supplies.

MUNICIPAL ELECTIONS FINANCES REFORM ACT

Mr. Cassidy moved first reading of Bill 172, An Act respecting Municipal Elections Finances Reform.

Motion agreed to.

Mr. Cassidy: With your consent, Mr. Speaker, I would like to refer in a short statement to two other bills which I will be introducing in a minute. One is an Act respecting municipal candidates and the other one is an Act respecting the establishment of ward boundaries.

The three bills are being introduced in order to bring about a significant reform of Ontario municipal elections. There are other things which may be needed as well, including a change in the municipal elections' date, but these are matters of great urgency.

When less than 30 per cent of the electorate normally turns out to vote, municipal government is in deep trouble. The aim of the proposals in these three bills is to provide better municipal representation; to make candidature for municipal office more accessible for people of modest means; to remove the undue advantage enjoyed by incumbents in elections which are held at large; and to prevent developers and other large contributors from exerting undue influence on municipal government.

The first bill, The Municipal Elections Finances Bill, provides spending limits for municipal campaigns which range from a maximum of $1,000 for a ward campaign in a small city to $20,000 for a big city campaign for mayor. Campaign contributions which exceed 10 per cent of the spending limit for the office being sought would be prohibited.

A candidate who violated the Act would risk losing his seat on council or, if he had been unsuccessful, he would risk losing his right to stand at the next election. In certain cases where there was a gross violation, the seat would be automatically declared vacant.

[11:15]

The need for this bill is demonstrated by the situation we now have in the city of Ottawa, where, by municipal bylaw, there is a spending limit of $10,000 on board of control campaigns, but where one candidate, Pat Nicol, is spending $25,000 or more on a very lush and rich campaign—

Mr. Speaker: Order, please. Would you please stick to the principle of the bill, don't debate it.

Mr. Cassidy: —violating the rules, and this demonstrates that it is not possible within present municipal powers to have an enforceable spending limit.

Mr. Speaker: The hon. member is debating it now.

Mr. Cassidy: The Municipal Candidates Act, the second of the bills, is intended to make it easier for ordinary citizens to seek and hold municipal office by discouraging them from being discouraged by their employers. The bill guarantees municipal candidates the right to leave of absence from their jobs when they campaign between the nomination day and the election day. It protects them against dismissal or other disciplinary action by their employer. If someone is elected who works for a firm employing more than 25 people, he or she would have the right to leave of absence for up to five years, and thereafter to return to the job within that period.

The third bill, The Ward Boundaries Act requires any city or municipality with a population of 25,000 or more to be divided into wards for the purpose of a municipal election, again to improve representation and to improve the access to municipal office for ordinary citizens of the province. I hope that these bills will be debated and hopefully accepted by the government.

MUNICIPAL CANDIDATES ACT

Mr. Cassidy moved first reading on Bill 173, An Act respecting Municipal Candidates.

Motion agreed to.

WARD BOUNDARIES ACT

Mr. Cassidy moved first reading of Bill 174, An Act respecting the establishment of Ward Boundaries.

Motion agreed to.

Mr. Speaker: Orders of the day.

House in committee of supply.

SUPPLEMENTARY ESTIMATES, MINISTRY OF NATURAL RESOURCES

Hon. Mr. Bernier: Mr. Chairman, we have two specific items in the supplementary estimates for which we would appreciate your concurrence. One item under vote 2301, item 8, is a $250,000 amount, as was announced by the Treasurer (Mr. McKeough) Monday last. It is the funds for the Isolated Communities Assistance Programme, and just to give you a brief review of how we arrived at this particular point in time with this particular package, you will recall about three years ago we introduced Bill 102 dealing with a new idea, or a structured piece of legislation that would put into place some form of minimal municipal structure in many of the now unorganized communities of the north. That was given first reading and then it was circulated to those various communities. Assistance was given to establish committees and organizations that could look at it in a very broad way to see how it would fit into their particular field and to their particular liking.

It was obvious, after they looked at it, that it left the door open for too much structure. I think that's about as simple as I can put it. They were concerned that they didn't have the assessment, they didn't have the expertise, within the smaller communities, to go the route suggested in this particular bill.

They have responded with the idea, and we've accepted it, that we move ahead on an ad hoc basis. In other words, with a fund which could be administered by one ministry, which would be very simple to get at and one with a programme which would deal with the specific needs and the priorities of these smaller communities.

As the members fully realize, there are a number of programmes now within the various ministries of the government designed to assist the unorganized communities. I refer to the statutory labour board and the local roads board under the Ministry of Transportation and Communications and recreational grants available through the Ministry of Culture and Recreation. There are a number of similar such programmes which do help the unorganized communities but there are areas in which they cannot get assistance because they have no formal municipal structure.

This particular programme is designed to meet that urgent need. I have not a specific method to announce on how it will be administered or funded. It'll be handled by my particular ministry.

I had thought it would come under the purview of the NORT committee on which my colleague, the Minister of Housing (Mr. Rhodes), and my other colleague from northern Ontario, the Minister without Portfolio (Mr. Brunelle) from Cochrane North, sit now. They would be the committee which would give final approval as the cabinet committee.

That has not been finalized yet. It's a suggestion I'm going to make to the two groups, UCANO east and UCANO west, whom I've contacted and asked to sit down with me and my staff to work out the procedures.

I have to make it very clear that I want to make the procedures as simple as possible so that they can come forward with their requests. I don't intend this particular programme to be a straight handout or welfare programme.

Mr. Ferrier: They don't want that.

Hon. Mr. Bernier: I want to make sure there is local participation, local support, for any request which comes forward.

Mr. Ferrier: They just want a return on their taxes.

Hon. Mr. Bernier: That's right. I'm fully prepared to do that. I see the programme as one which deals basically with capital requirements and I am going to give my priority to fire protection. I think that has to be a No. 1 priority in the isolated communities.

Of course, in this vein, the participation aspect, I think they have to be involved. The desire has to be there. They should form, maybe, a volunteer fire department as an example. We may ask them to put up a certain amount of community funds and we, of course, could put up the bulk of it to provide them with the necessary facilities and the equipment they would require to give them some fire protection.

There are a number of other areas I envisage us moving into—possibly street lighting in the smaller communities; maybe garbage disposal; a community well. I'm sure that as we go down the road and meet with the people of the isolated communities, they will have a number of other suggestions to make to us as to how this fund can be very productive.

Mr. Laughren: Count on that.

Hon. Mr. Bernier: As the Treasurer indicated to the Legislature, this $250,000 is for this fiscal year to the end of March. In next year's budget he has planned to put a further half a million dollars so that in the next 16 months we will have $750,000 to put into the isolated communities of this particular province—those communities, as I said, which don't have a municipal structure.

I'm looking forward to those discussions with the groups. We're going to work very closely with them to get their input and to pull together a programme which is effective, simple and productive.

The next item would be under vote 2302, item 4. That's for an amount of $19,750,000 for extra fire-fighting expenditures incurred during this past season. I'd just like to read into the record some of the reasons for these extra expenditures. The 1976 season has been by far the worst on record for forest fires. To date, some 3,981 fires have occurred, about 800 more than ever before, which burned over approximately 1.3 million acres of forest land. A period of about two years of much below average precipitation, associated with a continuous flurry of dry lightning storms which caused 2,057 fires, created a situation where instant fire starts and rapid fire spread caused very difficult fire control situations. A total of $1.5 million of private property was lost this past summer including tourist outfitters' headquarters, summer cottages, cut timber, logging equipment, etc. The Crown timber losses are not known at this time but they are significant. We estimate those to be at about $21 million but that is only a guesstimate at this particular time.

Without the expenditure for which we are asking approval today in these supplementary estimates, the probability of human life losses and a great increase in the private property losses and the Crown timber losses would surely have resulted. That view is acceptable to the general public also. The extra fire-fighting expenditures this year were spent as follows: salaries—$8.3 million; aircraft rental, both fixed-wing and helicopters—about $8 million plus; replacement of fire suppression equipment—approximately $700,000; and purchase of chemicals and fire-retardant liquids—$500,000. The remaining $4 million was expended on supplies, communications equipment and cost of transportation of equipment and personnel.

I would only be too pleased to answer any questions that the members may have on these specific figures.

Mr. Deputy Chairman: Perhaps we could deal with this vote by vote. The Chair did permit the minister to comment on both votes, but I think we should deal now individually with them.

On vote 2301, ministry administration programme; item 8, northern affairs:

Mr. Deputy Chairman: The hon. member for Nickel Belt.

Mr. Conway: Knuckle bolt.

Mr. Breithaupt: Loud and thunderous applause.

Mr. Laughren: The minister quite appropriately sketched a little bit of the background to the problems of the unorganized communities and the government's introduction of Bill 102, which I thought was a very useful exercise. I thought they started out the right way by taking the bill across northern Ontario. At that point, I think we diverged on our analysis. I read that whole exercise, starting out in good faith but not ending up the same way. When this task force went across the north, into about 30 communities, I think they didn't realize the enormity of the problem as they headed out; when they became aware of the enormity, they started to back off from the implementation of such a bill. I think that the citizens in those communities expressed in no uncertain terms what their expectations were from the government. The bill itself would not have fulfilled those expectations.

It's a very difficult problem. While in opposition we still recognize, no matter who is the government in this province, that to tackle the problems of the unorganized communities is a very difficult and a very extensive problem. We have some suggestions to make. People sometimes think that it's just northern Ontario alienation talking again, that people are just dissatisfied in northern Ontario and that that dissatisfaction is expressed through their opposition members of the Ontario Legislature. They really wonder whether or not there is that much substance to the complaints.

[11:30]

I think this minister, being from the north, should understand that it's not just alienation; that the problems are real and in some cases are quite serious. In the background paper entitled, Proposals for Improving Opportunities for Local Government Services in Northern Ontario, which the minister tabled, I was struck by what was written in appendix B, where they were reiterating the problems that the communities expressed themselves when those meetings were held. I would like to quote from a section called, Local Problems and Needs:

"Among the problems discussed or noted were: land problems (small lots in old sites, poor drainage); poor physical services (expensive hydro, no communal water or sewer services); long distances from major centres and facilities (and therefore, for example, poor medical services); lack of resources for community services (fire protection, recreation, commercial outlets); low or seasonal income, ageing populations; confusion about government due to isolation . . ." They might have added that the government is confused about their isolation as well, because at this point it really has not come to grips with it.

In the riding that I represent, Nickel Belt, there are many examples or models that could be used for the unorganized communities. The minister is aware of some of them, like Foleyet, Gogama and Sultan, where all of those problems are present. And they are not communities of 50 people; they are communities of 500 or 600 people, which is a substantial size.

In the Legislature, I've always used Gogama as the example of the severity of their problems, because it's a relatively sophisticated community compared to a lot of communities across northern Ontario. They have a Ministry of Natural Resources complex there, the Ontario Provincial Police, and a number of private homes; it's a railway town. The government has been aware for some time that there are serious problems in that community in terms of the water supply being polluted with nitrates; and, as the minister might know, nitrates are not something that you can filter or boil out of the water. The problem is serious.

I must say that just this morning the Minister of the Environment (Mr. Kerr) sent a note across to me containing a letter of thanks from Gogama dealing with the installation of a hydrant in the town. Shortly after the hydrant was installed, there was a major fire in the community and a service station burned down. Had the hydrant not been there—and it's only been there for a couple of weeks—there is no question in my mind, and in the minds of the people who were there at the fire, that the main street would have gone up in flames in Gogama—certainly some other dwellings around it. The people in Gogama, therefore, were expressing their appreciation for that hydrant. I said in a note to the Minister of the Environment that he should understand his ability to do good in those small communities by the installation of things such as fire hydrants and other kinds of water services.

The solution has not been resolved there yet. The former Minister of the Environment (Mr. W. Newman), when he realized the problem of the nitrates, decided that the solution was a community task. That is as close to being an insult, and as close to recognizing a double standard in this province, as I can think of. I cannot think of a community in southern Ontario where we would put in a community tap. I can't imagine that, but that was the government's solution to the water supply problem in Gogama.

Mr. Conway: Lorne has a community tap, but it's a different kind.

Mr. Laughren: It's located inside a large barrel.

Mr. Breithaupt: It's not a tap, it's a pump.

Mr. Laughren: The government still has not come to grips with that problem. These supplementary estimates and its northern assistance fund are not going to solve the problem. I'm worried about it, because there is no statement of principle associated with this new northern assistance fund. It's merely that supplementary estimates that will be supplied—$250,000 this year and $500,000 the next year. That's not saying, for example, to the people in the small communities of northern Ontario that we believe there is a minimum level of services to which they are entitled. There is no statement like that in what either the minister or the Treasurer has said in their announcement. The $500,000 that is going to be allocated next year, to do a proper job that would service Gogama, because for the water supply we talked about a quarter of a million and if you ever put in a sewage system as well, there goes your half million dollars—probably more.

I think that the minister should look at alternative methods of providing those kinds of services. I'll be specific.

If, for example, in a community such as Gogama there is a potable water problem—and we all know there is one there, and in lots of other communities—then I think we should look at, first of all, communal water supply, which is not as expensive as getting into the full sewage system programme. Also, there is something offensive about allowing a water table to remain polluted, even though the people are not drinking the water.

In Gogama, for example, that water table is becoming increasingly polluted and the pollution is working toward the lake. Every year when they do their tests, the pollution is closer and closer to the lake so that eventually we feel that lake is going to become polluted.

It is not good enough to say, "Well, we will put in a communal water supply and you can go on using your open-bottomed septic tanks." In the railway towns, a lot of the people have taken railway ties and built open-bottomed septic tanks. The ministry, in co-operation with the Ministry of the Environment, should be looking at things like the humus toilets and chemical toilets that have been developed. I think they cost around $1,000 each and I am sure the government could arrange a better deal than that. That would be much less than the subsidy that would go for a sewage treatment plant. I think it should be looked at in a serious way.

This is what is bothering me about this new programme the minister has announced. There is a subsidy of up to 75 per cent for sewer and water projects in organized municipalities. Here there is no indication of providing subsidies to the isolated communities. I think that the minister should understand that with the amount of money the ministry has, the line-up at his doorstep is going to be long, because $500,000 isn't going to go far. If it is simply a pork barrel from which will come $10,000 for this community and $10,000 for that community, then it is not going to solve any of the serious problems.

Sure there will be recreation grants spread across northern Ontario and I suppose the minister will see it as politically advantageous to be able to hand out a $10,000 cheque to a small community. But, for example, if that was done in Gogama the people would accept the $10,000 and they would still have their water problem, they would still have their sewage problem, they would still have their fire protection problem, they would still have poor medical services, still have expensive hydro and all the minister would be doing would be putting little Band Aids all across northern Ontario when we all know that major surgery is what is required.

The problem has existed for 30 years and leaving it will only make it worse. I divide the problems up there into two areas. One is the areas like Sault North and the area around North Bay, which are not isolated but where the problems may even be more serious and more complex than those in the isolated communities because of the proximity to large communities and the pressures on development in those areas. In the small communities the problems are serious, but they can be looked at as a unit and other communities are not involved in the solution to those problems.

But I think that if we leave them—and this is what is really bothering me about this—if we leave the problems as they are now and disperse this money in $10,000 amounts all across the north, those problems of pollution and development and medical services which I outlined are going to get worse in the next 30 years. I hope that the minister, when he meets with the Unorganized Communities Association of Northern Ontario, east and west, that he will really emphasize to them the need for them to establish their own priorities.

I really think that is what is needed—to say to those people, "Look, you've got 30 communities in your association, now you get together and you decide what the priorities are and then come to talk to us and we will split up the money as best we can," rather than this other system of just handing it out according to the applications which are mailed in.

That's not a priority system and I sure hope they will allow the Unorganized Communities Associations to establish the priorities. There'll be some in-fighting within those associations, we can be sure, because each of those communities regards its problems as being very serious, and that's true. I think it's terribly important that the money not be frittered away in $10,000 amounts all across the north.

The debate has been almost friendly so far but I can tell members I'm concerned about this ministry and this minister having charge of this programme because increasingly this minister is the symbol of this Ontario government all across northern Ontario. He is the symbol of northern Ontario, more than the other northern members, because he's a high profile minister and his responsibilities are enormous in northern Ontario. It bothers me because he does not seem to have the kind of appreciation of the problems in the north that I think he should have.

For example, it's his ministry which is pulling out of some of the very small communities in northern Ontario. He's pulling out his little division offices, or the little district offices. I could give a couple of examples just in Nickel Belt, Sultan and Foleyet where they are phasing out the Ministry of Natural Resources offices.

Mr. Ferrier: Out of Foleyet?

Mr. Laughren: Yes, they are phasing it out and there is almost nothing left there now.

Hon. Mr. Rhodes: The member for Cochrane South (Mr. Ferrier) is insisting that they go to Timmins.

Mr. Laughren: No, he's not. He's not saying they close out the small communities like Foleyet and Sultan. It needs to be understood that in those small communities a natural resources complex, even if it employs only 10 or 15 people, is terribly important to that community, way beyond the payroll represented by those people. Symbolically it's important as an indication that the government is aware and has a presence in that community. For them to be pulling out is a slap in the face.

I think the minister's record on resource depletion is terrible. Whether we're talking about mines or whether we are talking about forests and the lack of reforestation, he has not done the job he should have been doing in northern Ontario.

On the health and safety of miners in northern Ontario, the Minister of Natural Resources is very closely identified with the problems of safety in the mines. The minister has a major responsibility for that.

The trampling on the rights of native peoples is becoming identified with this minister as well because of his cavalier attitude toward their problems in northwestern Ontario in particular.

The plight of the unorganized communities is something this minister could have done something about a long time ago because of his presence in the Ontario cabinet.

We are worried about this minister administering the programme. We think his record of partisan politics is not what's required to solve the problems in the small communities. As a matter of fact, I've often thought that the best friend Ed Deagle has is the Minister of Natural Resources.

Hon. Mr. Bernier: He'd love to hear that

Mr. Laughren: The minister has encouraged that alienation in northern Ontario. He has allowed people like Ed Deagle, or has encouraged people like Ed Deagle and given him credibility across northern Ontario. The minister has increased the alienation more than any other minister in that cabinet—more than anyone else, he has done it.

Hon. Mr. Bernier: You are being provocative.

Mr. Laughren: In northern Ontario's isolated communities we'll take that $500,000 and hopefully the priorities they establish will be the right ones. I don't think that's for the minister or me to determine; I think they should do that.

We think the real solution is for the minister, first of all, to establish a minimum level of services to which he thinks the people are entitled. The minister mentioned fire protection—I agree that's terribly important. There are medical services of some kind. It doesn't have to be a medical practitioner in every small community of 500 people but there are such things as nurse practitioners or ambulance services for those people.

There is the provision of some kind of sewage and water system where there's a potable water problem. I think that's something which is terribly important. There are recreation facilities, of course, as well. We think the minister could establish a minimum level in principle, not that he would provide it immediately; no government could do that overnight, but he hasn't even established that principle.

[11:45]

Whenever I drive down to Toronto, I drive down Avenue Road. Last week was a good example. I was in Gogama on the weekend and I drove around and went to the site of the fire and met with the people, came back down here and when I am driving down under the bypass on Avenue Road, I drive under a bypass not far north of here, and there I look out the car window, the traffic was slow, and there were pretty blue bathroom-like tiles on the walls of the underpass and I thought, my goodness, I have come from Gogama to Metro Toronto, and I have come from the problems that they have with their water supply and all those other problems which I have talked about, to a community that can tile its underpasses.

There is some kind of double standard there. I think that the minister really is only playing with the system, and as for the $500,000, I am sure he would admit that if he could get more from the treasury board, he would get more, but the fact is that at some point we have got to say that the double standard of service is simply not acceptable, establish that in principle and get on with the job of providing the kind of services that the people in the north are entitled to.

Mr. Conway: I shall try to confine my remarks to a reasonably brief period. I believe we are adjourning at noon. Just to begin—

Mr. B. Newman: Are you two sitting together?

Mr. Conway: I must begin at the end, so to speak, when I recall what my friend from Nickel Belt had to say about the symbolic importance of the profile of the member for Kenora (Mr. Bernier) as somehow being more significant perhaps than that of the good and honourable member for Sault Ste. Marie (Mr. Rhodes). A symbolic comparison like that I cannot imagine, and I don't quite see how it is that the member for Kenora could somehow be more important in northern Ontario than our good and honourable friend from Sault Ste. Marie.

Hon. Mr. Rhodes: More profile but not near the talent.

Mr. Laughren: Profiles do you more harm than good.

Mr. Conway: I certainly want to lend my support and the support of my party to the fund that has been spoken of. I have a personal experience of perhaps a slightly different kind than that of my good friend from Nickel Belt. My riding, perhaps like the riding of my good friend from Parry Sound (Mr. Maeck), whom I see seated across from me this morning, is one of those ridings which straddles that no man's land almost, the buffer zone between southern and northern Ontario. I speak in this particular matter as a person with a foot in both camps, because my riding is anchored in the heartland of good and solid eastern Ontario but there are northern reaches which extend into the district of Nipissing and therefore put us into the geographic designation of northern Ontario. I bring to this discussion perhaps a very keen sense of some of what has been talked about, because my own background is closer to the district of Nipissing. One community in particular I think of here is Whitney, which has 1,000 people, located at the bottom end of the district of Nipissing, a community that is probably best known for being the east gate and the east entrance to Algonquin Provincial Park; a community that, as I said, has about 1,000 people and a community that really draws its basic raison d'être from the presence longstandingly of the Ministry of Natural Resources. So it is with that particular and peculiar experience that I approach this discussion this morning. Before going on at any great length, I wanted to make one or two comments about both the statement introduced on Monday or Tuesday of this past week by his worshipful Treasurer, the member for Chatham-Kent, and subsequent to that the comments made on Tuesday by the Minister of Natural Resources (Mr. Bernier).

In the comments of the hon. Treasurer there are just three or four points to which

I wanted to make a very brief comment. The first related to a comment on page two in which the Treasurer noted: "In many communities, no amount of rationalizing of local government institutions will make up for their resource deficiencies," and I use that simply as a starting point to support what my good friend from Nickel Belt, who I see has left us at the present time, was saying.

Mr. Laughren: Oh, no.

Mr. Conway: Sorry, I see he is ensconced in conversation with the honourable reverend member for Cochrane South.

Mr. B. Newman: The fine member for Cochrane South.

Mr. Conway: With the fine member for Cochrane South.

I think that that's important, because, quite obviously, for those of us who understand the problems of the isolated communities in northern Ontario, we do not come to this discussion with a lack of appreciation for the obvious and sometimes tragic reality of the problems that these communities face. I make no apologies for that. I know the government, like the opposition, takes a reasonable approach to the historic and ongoing economic difficulties and economic realities of the scattered communities across northern Ontario. I want to begin my discussion on this with a recognition of that.

Further on in his statement, the Treasurer indicates how this fund is going to operate. I wanted, again, just to underscore the point he made on page 9 of his statement where he talks about this programme and this fund being at the "discretion of the Minister of Natural Resources." I have to agree with my colleague from the New Democratic Party, the member for Nickel Belt (Mr. Laughren), when I too express the reservation of my party and myself with respect to the discretion, not only of the minister in this case but also this department.

It has been my experience—and it has been a personal one in many instances, having to reside in a county where we now have the presence of the parliamentary secretary to the Minister of Natural Resources (Mr. Yakabuski) that it is a tradition that the discretionary powers of the government at large and the former Ministry of Lands and Forests, lately called the Ministry of Natural Resources, have a political impact that sometimes I think does not operate in the public interest of the people of Ontario.

Mr. Laughren: Right on. A Tory millstone.

Mr. Conway: I hope that the situations we have seen in the past, certainly in my part of eastern Ontario, will be mitigated by less partisan concerns.

Mr. Ferrier: That discretion is used mostly in Kenora.

Hon. Mr. Rhodes: They are not very discreet in Timmins.

Mr. Conway: The points I have raised in this have been an ongoing concern, for example, in connection with some of the appointments made to the board of directors of the Algonquin Forestry Authority. I know many good solid Progressive Conservatives in Renfrew county and I would gladly recommend one or two to the Ministry of Natural Resources, but I am not happy with some of the appointments that were made there. I have said this many times before. That is the kind of discretionary concern of which I speak from a personal experience.

Mr. Breithaupt: If you have to do it, at least make the selection a good one.

Hon. Mr. Rhodes: It sounds as though you are not happy.

Mr. Kerrio: You know what the Indians say about you?

Hon. Mr. Rhodes: Are you unhappy too?

Mr. Kerrio: Always.

Mr. Deputy Chairman: Order, please.

Mr. Conway: We have had some comments from the Treasurer in his statement as to how the fund will be applied to fire protection, water provision and perhaps in a few cases to sewage or water treatment and so on. Then on page 10 he indicates perhaps a broadening of this to include support for local road boards, boards of education, community centre boards and so on. I think for me that is perhaps the most important aspect of this. In a particular case in my riding, I think again of the community of Whitney where there is a specific concern and obvious need for a broadening of some of those services that, for example, relate to education. Perhaps there should be provision of some kind of education complex that might serve the broader interests of the community, where most of the people involved are working for the Ministry of Natural Resources and where some of these needs are presently being ad-

dressed by the Ministry of Culture and Recreation.

I want to make the comment that I think and I hope that in the administration of this particular fund there will be consultation with the Ministry of Culture and Recreation. I personally am very greatly concerned about what I see as the piecemeal disbursement of small amounts to support some recreation in parts of the northern reaches of my riding, which are not going to solve any problems and which are not going to be realized because the matching payments that are required to support the installation of a much needed facility will never be arrived at. I hope and I really think there should be a close liaison between the Ministry of Natural Resources and the Ministry of Culture and Recreation in the operation of this fund to dovetail support; for example for a community like Whitney in establishing a new education complex that will serve a far broader constituency than just the education community.

I go on briefly, then, to a concern I have about some of the comments made by the Minister of Natural Resources in a two-page statement on Tuesday, November 23, 1976. In about the bottom paragraph of page 1, he said: "To ensure that we have covered all bases, I have already made contact with two unorganized community associations of northern Ontario." He then talked more specifically about the prioritization of some of these concerns. I hope there is a success here that has, unfortunately, eluded this government in some areas in the past and that that prioritization has a keen sense of the many competing concerns there will be for this very limited supply of government dollars in this case. I suppose we're caught here between two millstones, and that is, on the one hand—

Mr. Laughren: There they are, right there.

Mr. Kerrio: That's very appropriate.

[Laughter.]

Mr. Deputy Chairman: Order, please. The hon. member will continue.

Mr. Conway: We, on the one hand, in the responsible and reasonable opposition that these benches have always represented, would naturally support any amount of money for poor, forgotten northern Ontario, of that there could be no doubt. On the other hand, we must say, as the hon. member for Nickel Belt did, with his usual eloquence and impassioned commitment, that $750,000—

Hon. Mr. Rhodes: Do you fellows hold hands afterwards?

Mr. Conway: —at the most is really an insult. I can imagine in my own case the number of concerns and the number of applications that will be forthcoming. Given the discretionary role in all of this of the Minister of Natural Resources, who may or may not operate in that discretion with or without the help of the hon. member for Lambton (Mr. Henderson), I think there's going to be a difficulty here that will no doubt at times have a political construction, whereby we could have as many as 500 applicants—and I think the hon. member for Nickel Belt would perhaps agree that that would be a minimal amount—for what, $500,000 or $250,000 this year? Supposing we allowed 10, 20 or 30 of those, that reduces itself to what I think is an ineffectual pittance that couldn't begin to hope to assist the kinds of projects to which and about which the government has identified and expressed an understandable and justifiable concern in these instances.

Take for example the community I spoke of in my riding, Whitney; if it wanted to take advantage of and prosper because of this isolated communities fund then we would be looking at, to say the very least, $50,000 or $100,000 to do anything worthwhile. I can't imagine that fund being effective in the 16-month period with the limited amount of dollars that are being provided.

I know the government is going to respond by saying that the opposition is being irresponsible, on the other hand, by calling for this kind of programme, and on the other hand by lamenting the amount of dollars that their restraint orientation has previously called for. I say to the minister there is a very serious question here, because he holds out a carrot to northern Ontario, to communities that I may send to him, hopefully, through my office.

I was interested to note again in his statement the very inviting and positive invitation which concludes his statement, that is: "I would urge any unorganized community seeking help with local servicing problems to contact their nearest Ministry of Natural Resources office, or, and perhaps better, to write directly to me in Toronto."

I hope that they will, in my community, see fit to come to my office first so we can moderate, perhaps get to you on a more governmental level without having concern for local political considerations.

Mr. Laughren: No, no; you sure are non-partisan.

Mr. Conway: Of course, non-political and non-partisan as I've always been. Unlike the member for Sault Ste. Marie I've always known only one kind of party politics.

Hon. Mr. Rhodes: But you have known a lot of different policies.

Mr. Conway: But it seems to me there has to be a certain direction to this. There must be, on behalf of this government, a commitment either to a specific number of priorities or a far greater number of dollars. Because I'll tell you, the impact of this programme as it now stands is going to mean, I think, a great deal of disappointment to a great number of unorganized communities in northern Ontario, which will take the government at face value, which will say that, yes, they are trying to do something and only go to find that there are, not even dollars and cents but a few loose pennies for many of the projects that would require a great number of dollars.

Hon. Mr. Rhodes: In your riding they should go and see the member for Renfrew South (Mr. Yakabuski), he has some influence.

[12:00]

Mr. Conway: I'm glad to see the concern of the member for Kenora, who may be the symbolic indication of the lack of concern that this government has had in northern Ontario. But I'm telling the minister, if I come to him with a community like Whitney, we will probably want all the $250,000 he's got until March of 1977. I'm telling him, without insulting northern Ontario, he's either going to have to make a very specific commitment to a very limited number of projects; either that or convince the hon. Treasurer, for a variety of good and solid reasons, that a substantial number of increased dollars are going to have to be made available if the minister and his government are going to be seen to be anything more than a patch-up operation to many of these serious problems that this isolated communities fund surely must direct itself to.

With those remarks, brief and non-partisan as they have been, I would conclude by expressing, not only support in principle for the government's proposal as outlined by the two ministers, but certainly the hope that my particular constituency will be able to materially benefit therefrom.

Mr. Kerrio: This is a Mother Hubbard bill.

Hon. Mr. Rhodes: Mr. Chairman, I want to take part very briefly in the discussion of these particular estimates for two reasons. First, I am one who does represent a riding in northern Ontario; obviously my riding does not include any of the so-called isolated communities, but in very near proximity to that community we do have a number of these communities which I feel will certainly be interested in applying for this type of assistance.

My second interest, of course, is in relation to the responsibilities I have in the Ministry of Housing and how this programme is going to assist, as I think, and complement some of the things that we have been hoping to do in the smaller or unorganized communities in Ontario. There have been problems there that my ministry has been having difficulty with in terms or severances of land, provision of lots and, in particular, attempting to provide lots that could be adequately serviced where people want to build new homes and be able to live a more comfortable life in these smaller communities.

Part of the problem in some of these communities, as I see it, is that because they are unorganized and because they do not have sufficient funds to provide the basic services, it has been difficult to authorize people to upgrade their particular homes by allowing them to build on another lot, because those lots are not available.

The one thing that I am interested in, and I have discussed this with the minister as well as with the Treasurer, is the definition of an isolated community. As I understand this, the isolated communities will be those that are without municipal structure and are not in a position to be taken into a larger form of municipal government or municipal structure.

One of the things I am concerned about in particular as this applies to northern Ontario is that in those areas referred to by the member for Nickel Belt, other than say the North Bay or Sault North areas, there are just so many miles between these small municipalities that I will continue to urge that we do not form a very large region just for the purposes of establishing some sort of municipal structure.

We do have to provide basic services in these communities. The people are there. They are resource-oriented communities that have been established as a result of the jobs that are available for them. They are in need of water services, of fire protection or ambulance services. But before we get too caught up in this, we must maintain a considerable degree of flexibility within this programme;

there must be the ability for these communities to be part of the decision-making process as to what type of service they consider to be the priority. That obviously will have to be done in conjunction with the ministry. But I say to the minister here in the House, for the record, as I have said to him privately, that I do not feel that this programme can operate totally successfully if there is going to be an army of civil servants going around with programme analyses and all of the various types of things that are carried on with a view to providing these services. I think we can do it quickly by allowing flexibility in the programme and by letting the communities set their priorities and go ahead to get the services they need.

We need different types of services in the north. I've gone to many smaller communities, both unorganized and organized, where they simply cannot hope to have in the future the types of services that have become conventional in other parts of this province. I'm referring specifically to water lines and sewer lines, where you have problems of excavation and the high cost of getting these in. As these communities look at the type of servicing they need—in particular, I'm interested in water and sewer services—I think they should be allowed to find innovative ways of handling it, as referred to by the member for Nickel Belt. The types of sewage disposal units which are coming on the market have to be looked at positively as being a part of it and acceptable to the Ministry of Environment. As well, there are the new types of on-ground services available for carrying both sewage and water to and from particular units and into a municipal service without our having to dig through the massive rock you'll find in many parts of northern Ontario.

I think this is a good programme. I'm not going to say that I think it's adequate funding but we all recognize there has to be a start. I recognize, as the member for Renfrew South has indicated, that there may be a great many people coming looking for money. Obviously, when you announce a programme everyone would like to get a piece of the action.

That's the time when the member can play a real part. As he suggests, he can have them come to his office and analyse where the greatest need is, recognizing there is a limited amount of money to be applied.

There are not that many of these communities, with respect. He suggests 500 applications. There are not that many such communities in northern Ontario. We can probably handle it—there simply aren't.

Can the member for Timiskaming tell me if there are 500 such unorganized communities in northern Ontario? He knows full well there aren't and that's what I'm referring to. I regret he missed the earlier part of the debate. I am simply saying there are not 500 such communities, considerably less.

I think this is a step in the right direction to doing something for those communities. As I said at the outset, my concern is that we have services which will serve a mixed sort of development in these communities. If you talk about Sault North and the North Bay area, there are three types of residents in those areas. You have permanent residents who have their homes and own their property and live there year round. You have the cottage dwellers who use it for recreational purposes and now you have the sort in-between, the mobile home dwellers, who live in mobile home parks. These people have to be considered when you're talking about the types of services which are going to go in and the size of these parks and where they are going to be located and how you're going to service them.

I wanted to be on record as a northern member and as the Minister of Housing. I think this programme is definitely a step in the right direction and I join with the other members in saying that it's—

Mr. Laughren: You must admit it is not enough.

Hon. Mr. Rhodes: Of course, that has been the story of the New Democratic Party since the year one—there's never enough.

Mr. Laughren: That is why you have nothing left in northern Ontario as well.

Hon. Mr. Rhodes: The only thing we've got enough of in this House is New Democratic members. Too many. Another thing we have enough of is the negative approach you take to everything that comes into this Legislature.

Mr. Laughren: There is ample—

Hon. Mr. Rhodes: Just once in my time in this House I would love to hear someone in that party stand up and say, without any reservation or qualification, "That is a good programme"—

Mr. Bain: We love you, John Rhodes.

Hon. Mr. Rhodes: —"carry on. We think you are doing all right." You look for holes with the most negative attitude you've ever seen.

Mr. Laughren: No. That is positive. We are saying do something.

Hon. Mr. Rhodes: What you want to do is have everything run by a big office somewhere with King Stephen sitting at the top of it and all of you flunkies bowing down and offering up alms to his office.

Mr. Laughren: You set the example for that, not us. Yours is the party that has governed for 30 years. This is your government, not ours.

Hon. Mr. Rhodes: Somewhere along the line you are going to recognize that this side of the House is doing more in this province on behalf of the people than you would ever do if you were in power because you'd be so busy setting up your bureaucratic structures you'd break the province in six months.

Mr. Laughren: You are the ones who set them up.

Mr. Bain: Mr. Chairman, I would like to make a few comments about the isolated communities funds. I think it is appropriate and shows that we are moving in the right direction but I feel there are some areas where constructive criticism should be made.

I have a reservation even about the title. I think the title shows the bias of the government—isolated communities. They are not isolated communities. They are unorganized communities.

Hon. Mr. Bernier: Mr. Chairman, if I may interrupt, perhaps the hon. member would give us some suggestions as to what the programme could be called.

Mr. Bain: Call it the unorganized communities fund. I think that would be much more appropriate and it wouldn't be what I feel is a little condescending.

I think the name probably was drawn up by the Treasurer. I found some of his statements in the House on November 22, when he made the announcement, most offensive in regard to unorganized communities. For example, he said such things as people move out to unorganized communities to get away from paying taxes. Surely to goodness, the Minister of Natural Resources knows that is not true. I don't think the Treasurer should have made such a statement in this House and misled the people of this province in such a way.

The unorganized communities of this province are important communities and vital communities, and another statement the Treasurer made shows the government's bias. He said the unorganized communities in many instances should be incorporated into larger municipal units. What does that mean? Shove them into a regional government. I don't think this is appropriate. Many unorganized communities have a right to exist and prosper the same as any other communities do. Perhaps with the passage of time they might become improvement districts, but certainly there shouldn't be any indication from your government that the best thing to do with unorganized communities is to lump them in with some other larger regional municipality.

The unorganized communities that I have in my riding are in many cases older than some of the organized communities and they have just as much esprit de corps, just as much of a soul as any organized community. The problem has been, in unorganized communities, that the government really hasn't set up an appropriate structure. We had hoped that Bill 102 when it was introduced back in 1974 was going to accomplish this, but it seems that when you finally took it to the people of the unorganized communities you saw that it wasn't appropriate and you started to rework it. I still look forward to a substitute for Bill 102. I think it is very much needed by the unorganized communities. I think the unorganized communities have a right to exist. The member for Sault Ste. Marie (Mr. Rhodes) mentioned I wasn't here for the beginning of the debate; I notice he has now left after having spoken and he won't be here for the end and he will miss a constructive contribution.

No. 1, the title should be changed from isolated communities fund to unorganized communities fund, and No. 2, there has to be more money. You cannot conceivably say that $250,000 for the remainder of this fiscal year and $500,000 for the next fiscal year is enough money. I hope the Minister of Natural Resources will agree with us and that he will go after his colleagues in the cabinet and get more money. We certainly believe that excess spending by the government has to be trimmed, but no money that you put into the unorganized communities could ever be said to be excess spending by anyone. Thank you.

Mr. Maeck: I will be very brief; I see the clock says 12:13. However, I rise to support this particular programme. Many people in this House are probably not aware that the district of Parry Sound has 27 unorganized townships and seven or eight unorganized communities; communities such as Port Loring, Pointe au Baril, Britt, Byng Inlet and so on. These communities over the

years have had a great deal of difficulty in getting any kind of community assistance. It has been very difficult for them. Anything they have done up to this point in time has been done through community effort only, through contributions from the local people. I recall going through at least three different fire-fighting association meetings with unorganized communities trying to form their own fire-fighting associations. They had no assistance whatsoever from the provincial government. They had no way of taxation at all other than to collect money for local roads, and every dollar that was raised had to be raised locally.

Mr. Laughren: Any tiled underpasses in Parry Sound?

Mr. Maeck: No, not in the unorganized areas, unfortunately.

Mr. Conway: Surely not? That will make Darcy squirm.

Mr. Maeck: For many years these people have been complaining and rightfully so. They are paying taxes to the Ministry of Revenue in the province of Ontario and they have no say at all as to how they are spent. Certainly I would have favoured some form of local government if that had been possible. I know the bill that came before the House was not acceptable to most of these communities, and was not really acceptable to me either in its form, but some day I hope these municipalities or these communities will have a little more to say about their own destiny than what they have today. But I do think we are making a start.

[12:15]

Mr. Conway: That will make the Treasurer squirm.

Mr. Laughren: If they make you Minister of Natural Resources that will solve the problem.

Mr. Maeck: That's of course the opinion of the NDP but not necessarily the opinion of the member for Parry Sound. Thank you very much.

However, these people have had problems over the years. I think this is a start but a start only, I realize the funding is relatively small. It's $250,000 for the remainder of this year and $500,000 for next year. That's a small amount of money, but I have a little bit more faith in the government than probably the members opposite in feeling that if we need more money we should make it available to them. Certainly I'll be working towards that effort.

Mr. Kerrio: That is because we are looking at them all the time.

Mr. Conway: Do you know more than we do?

Hon. Mr. Meen: He's bound to know more than you do.

Mr. Maeck: I extend my commendations to the minister and I make a suggestion to him that if he follows through with the suggestion that the funding be done with advice from the northern Ontario community associations, I would remind him that the district of Parry Sound is not in northern Ontario. I would certainly like to have representation if he is going to go that route from the area that is affected in the Parry Sound riding.

Mr. Laughren: Tell them to join the association.

Mr. Acting Chairman: Shall vote 2301 carry?

Hon. Mr. Bernier: Mr. Chairman, if I may, just before the vote is passed, I would like to recognize, and I'm sorry the members opposite in the New Democratic Party did not recognize the efforts of their own colleague, the member for Lake Nipigon (Mr. Stokes). I just want to indicate and I want the record to show, that I've discussed this particular programme with him. As members know, he's been a great advocate of a programme to assist the unorganized and unstructured communities.

Mr. Conway: Building a new alliance.

Hon. Mr. Bernier: I just want to recognize his effort and his thrust in what he has done for his particular riding and for the people of northern Ontario.

Mr. Laughren: We will pass those remarks on to him.

Mr. Conway: Is he crossing the floor?

Votes 2301 and 2302 agreed to.

The committee of supply on motion by Hon. Mr. Meen reported certain resolutions and asked for leave to sit again.

Report agreed to.

On motion by Hon. Mr. Meen, the House adjourned at 12:20 p.m.

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Third Session of the 30th Parliament

Monday, November 29, 1976

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

Monday, November 29, 1976

The House met at 2 p.m.

Prayers.

Hon. Mr. Davis: Mr. Speaker, before my statements, I'd like to take this opportunity, on behalf of all members of the Legislature, to welcome, certainly in his official capacity, the relatively new Premier of the province of British Columbia. I know my colleagues in the official opposition will be delighted to pay him welcome, and say what a refreshing—

Mr. Lewis: More than we can say.

Hon. Mr. Davis: —philosophical change this is to welcome Premier Bennett to our Legislature.

Mr. Breithaupt: We may have a change here, you never know.

Hon. Mr. Davis: Premier Bennett is here to visit for a day or so. I expect to be meeting with him on many important issues in a few moments, not the least of which is how he might succeed, and I might, next year at this time, in having Vancouver and Toronto as the participants in our national final. How he pretends to solve that out west and how I will do that here in Ontario, I really don't know.

I would like to welcome the Premier of our most westerly province to this Legislature and I extend this welcome on behalf of all our members.

Mr. Lewis: Mr. Speaker, in the spirit of clear magnanimity which occurs on occasions of this kind, I too would like to welcome Premier Bennett to the Legislature, and to be the first to inform him of the coup d'état that has occurred in his absence.

Mr. Breithaupt: It's very rare, Mr. Speaker, that we see a guest in our gallery who has been so successful at amalgamation. On behalf of my Liberal colleagues who retain the label and also hopes for the future, may I also greet him and hope that his visit in Ontario is a most happy one.

Mr. Speaker: Statements by the ministry.

THUNDER BAY SKI JUMPS

Hon. Mr. Bennett: Mr. Speaker, I wish to table today in the House, in response to the question raised last week, the lease for the Thunder Bay Ski Jumps Limited.

By a lease dated September 1, 1973, registered with the land titles office in Thunder Bay, Thunder Bay Ski Jumps Limited leases approximately 85 acres from Little Norway Ski Resort Limited and from an associated company, Lakehead Land Sales Limited, the land upon which the ski jumps are situated. This land is owned by Little Norway Ski Resort Limited and Lakehead Land Sales Limited. The lease is for a period of 21 years less a day commencing September 1, 1973, and terminating August 29, 1994. In addition, the lease gives Thunder Bay Ski Jumps Limited access to an additional 160 acres leased by Little Norway Ski Resort Limited from the Ministry of Natural Resources, Ontario.

Rental is $1 per year plus a percentage of revenue derived from the operation of the ski jumps as determined by agreement between the parties. In addition, Thunder Bay Ski Jumps Limited is to pay an amount equal to the taxes on that part of the land on which the jumps are physically located. The amount of such taxes has not been determined as yet. The parties only within the last two weeks, after many years of negotiations and discussion, have reached agreement as to the amount to be paid to Little Norway Ski Resort Limited as total rent for the period of two years for the two first seasons. That will be $3,500 per year, and for the current year $5,000, making a total payment to Little Norway Ski Resort of $12,000.

During any ski jump meet or practice or training session, the personnel associated with such activities are entitled, without cost, to use all the facilities of Little Norway Ski Resort Limited.

Mr. Speaker, I table these reports.

Hon. Mr. Snow: Mr. Speaker, just before starting my statement, I think I might draw to the attention of the members of the House that we have another very distinguished guest in the gallery today, the former Minister of

Agriculture and Food and member for Middlesex North, William Stewart.

Mr. Nixon: What has happened to the price of hydro since he left the government benches?

Mr. Lewis: Pity he is not still here.

Mr. Speaker: Order, please; order.

Mr. Lewis: I never thought I would say that, but it's a pity he is not still here.

SCHOOL BUS SAFETY

Hon. Mr. Snow: Mr. Speaker, in recent months, I have informed the members of the Legislature that my ministry was carrying out an extensive examination of the transportation system used to carry children to and from school. Those studies have now been completed. As a result, I am now filing regulations setting forth measures to be put into practice as of February 1, 1977. They will primarily improve school bus transportation safety.

One of the main areas of these regulations concerns the school bus driver's driving record, as well as such operator's moral character. Thus, as of February 1, any applicant for a school bus licence will be refused should that person's driving record show more than six demerit points. Further, a licence will be withdrawn from the holder if that person's driving record shows an accumulation of at least nine demerit points.

Any applicant will be denied a licence to drive a school bus if he or she has had a licence suspension within the past year resulting from a driving offence under The Highway Traffic Act or The Criminal Code. We will also withdraw a school bus operator's licence should any bus driver be convicted of two or more motor-vehicle-related offences under The Criminal Code of Canada within the past five years.

A licence will also be denied or withdrawn should an applicant or driver have been convicted of a morals offence such as rape or indecent assault or convicted for importing or trafficking in narcotics.

Our reasoning behind these measures takes into consideration that: (a) If a driver is considered a poor risk to drive his or her family car, then that same driver is also an equally poor risk to transport children daily on a school bus. In accepting a licence, a driver must be prepared to accept full responsibility for his or her total driving behaviour, and must be able to and want to drive safely, regardless of the kind of vehicle driven; (b) In the case of the denial or withdrawal of licences because of morals-offence convictions, we owe it to the children being transported daily to see that they are safe in every sense of the word.

In addition to these stipulations, the new regulations set forth that on a one-time basis a defensive driving course or a school bus driver improvement course will be required before a licence is granted to operate a school bus. As a further safety step it will be necessary that an improved type of first-aid kit be carried on every school bus. This kit will be the kit prescribed by the Canadian Standards Association for school buses.

Mr. Speaker, I trust you will agree that these regulations will help increase the safety and efficiency of what is already an excellent school bus operating system. I feel the school bus qualification programme should have no effect upon the drivers who have maintained a good driving record or those who have no morals-offence conviction. The end result, I am convinced, will be to encourage our present highly competent Ontario school bus drivers of good character to continue to drive safely because they want to drive safely.

Mr. Speaker: Oral questions.

POLLUTION CONTROL ORDERS

Mr. Lewis: I have a question initially, Mr. Speaker, for the Minister of the Environment. Against how many individual companies and pulp and paper mills has the minister placed control orders, ministerial orders, from his ministry, consequent upon the emergence of his reports on pollution abatement?

Hon. Mr. Kerr: The placing of control orders is something that is going on continuously. As one control order matures—as the deadline, the final date, approaches—then the new control order is negotiated with the company.

At the present time there are eight control orders on eight different plants. There are five companies that have met our emission standards, our effluent quality standards. They are over and above the eight, so they did not have control orders because they have in fact satisfied my ministry as to the quality of effluent being deposited in the receiving waters.

There are 12 at the present time that are being negotiated, are in the state of expiring, or are in arrears and new dates are being negotiated so that our quality and our stand-

ards can be met in times that the companies say they can in fact meet.

Mr. Lewis: Over and above the eight and the five?

Hon. Mr. Kerr: Yes.

Mr. Lewis: Supplementary question then: Is it not a matter of some concern to the minister—perhaps even embarrassment—that of the 20 control orders which he was required to place against a number of companies, one of the two companies in Ontario which necessitated the laying of a charge for non-compliance is the Reed Paper company? Does it not cause the minister some concern that that is the same company with which the government is now negotiating this memorandum of understanding for such a vast tract of land in northwestern Ontario and another mill, given the extraordinary record it has of environmental pollution in that part of the province?

Hon. Mr. Kerr: For one thing, the mill at Dryden is a very old mill; it's over 60 years old. There has been a series of control orders against that particular mill. The company has spent a substantial amount of money since 1965 in attempting to treat its emissions. As the hon. member knows, just recently it completely changed its manufacturing process to get rid of mercury. That was an expense to the company.

I'm not trying to make any excuses for the company. The reason we've taken action and laid charges under The Environmental Protection Act is because the company is substantially in arrears in respect to its existing control order. I don't think the history of the Dryden plant really should in any way affect our negotiations in respect to other development in northwestern Ontario.

Mr. Lewis: Really?

[2:15]

Hon. Mr. Kerr: I think the important thing here is that maybe the government's credibility has been enhanced by the fact that we are not lumping these two projects together. If the company is not adhering to our rules and regulations in one part of this province in respect to one of its operations, we will take action. The same goes as far as the environmental assessment procedure is concerned; if that company doesn't comply with that, if we don't get a proper impact study, then the development in northwestern Ontario will not go ahead. We are the referees, we are the monitors. We will make sure that the company—

Mr. Deans: You are also the apologists.

Hon. Mr. Kerr: —regardless of what it does or where it is, will adhere to our rules and regulations.

Interjection.

Mr. Speaker: Order, please.

Mr. Nixon: I would like to ask the minister, Mr. Speaker, would it be true to say that most of those control orders to which he referred in his original answer were placed on these paper companies in his original tenure as the minister responsible for this particular responsibility? Would it further be fair to say that hardly any of the old mills, if in fact any, have come up to the standards where the orders are being fully complied with?

Hon. Mr. Kerr: Mr. Speaker, certainly there were a number of control orders renegotiated between 1972 and 1975. As hon. members will recall, about a year ago most of the plants were on strike, they were closed down. Shortly after being appointed to the ministry, a little over a year ago—

Mr. Nixon: They had a fairly clean period of time when they weren't operating, is that right?

Hon. Mr. Kerr: —I asked my ministry to give information on the state of the pulp and paper industry in Ontario. At that time, as a result of questions from the hon. member from Thunder Bay, we did some analysis in areas where plants were shut down for a period of time and we were able to indicate what improvement there had been in the quality of water. After the plants were back in operation we were again able to analyse and test, and we found the deterioration had cropped up again; there hadn't been any improvement. It was last spring that we planned the three prosecutions that in the last month or so have in fact been laid against the three companies.

Also during that period of time, since May of this year, new control orders were negotiated with companies that as I say either didn't have it or were behind schedule in respect to abatement equipment and in respect to treatment. I expect there could very well be further prosecutions in other parts of the province in a very short period of time.

That is the programme that has in fact gone on in the past 12 or 14 months. I am

determined that the pulp and paper industry, in view of the report in Wawa which the hon. member talked about, which indicates that in fact they can economically adhere to our control orders—

Mr. Lewis: Precisely.

Hon. Mr. Kerr: —that is what we intend to have them do.

Mr. Angus: Supplementary: Could the minister advise the House how often between 1970 and 1975 the figures were updated in order to make the ministry aware of the changes?

Hon. Mr. Kerr: Is that updated in respect of individual mills?

Mr. Angus: That is correct.

Hon. Mr. Kerr: Again, Mr. Speaker, I don't have that information before me but certainly regional offices, and I think the hon. member has that information, are continuously monitoring the effluent from the various mills within their regions. That is necessary, in the event there is a control order in effect, to enable us to monitor the control order, to make sure the companies are in compliance with schedule dates that are part of a control order over a four- or a five-year period. I can't give the member the exact information as to the actual timing of the monitoring.

POLLUTION OF LAKE SUPERIOR

Mr. Lewis: A related question, if I could: Has American Can at Marathon been pumping mercury into Lake Superior—and I wasn't really, I must admit, familiar with it—for many years now? How has that been allowed to continue, given the experience of the English-Wabigoon river system? Was there no way of stepping in and preventing this, given the nature of Lake Superior as one of the last remaining lakes which isn't significantly contaminated?

Hon. Mr. Kerr: Mr. Speaker, when we discovered the source of mercury contamination, five years or so ago, each chloralkali plant, and each plant associated with the mercury process, was required to eliminate mercury emission. American Can was one of those companies.

Unlike other companies, it only halved the amount that was going into the receiving water. There is no question the company reduced the amount it was losing in 1971 and 1972, but still in 1975 and 1976 it was losing too much. It hadn't done as well as other companies which have a minimal loss that is not of concern to us—such as Dryden, which has eliminated it altogether. American Can did improve its loss of mercury, but not enough, and because of the concern that that in fact was the last plant that was a mercury problem, we took action against it.

REED PAPER

Mr. Lewis: A question to the Minister of Natural Resources: When the minister was negotiating the memorandum of understanding with the Reed Paper company, did he know the Ministry of the Environment was about to lay 10 separate charges against that company for violations under The Environmental Protection Act? Did he know the Reed Paper company has the single worst experience record of dumping organic matter into the Wabigoon system from 1970 to 1975—the single worst increase of any one of the 31 pulp and paper mills in Ontario—and did that not give him some pause?

Hon. Mr. Bernier: Certainly, as the local member who represents that great part of Ontario I am very familiar with the Dryden paper operation. One would have to be totally blind not to be able to see as one passed by that particular plant and other paper companies in the province of Ontario that there was a problem.

I was very much aware that a ministerial order had been placed on that particular plant. I was not aware that charges were pending against the Reed Paper company.

Mr. Lewis: As a cabinet minister, did the minister know that the depletion of oxygen in the system, the dumping of the organic matters on Reed's part, was the worst record of increase from 1970 to 1975 for Ontario, or had that not been drawn to his attention?

Hon. Mr. Bernier: Specifically it had not.

FOREST MANAGEMENT POLICIES

Mr. Lewis: May I ask a question of the Premier, Mr. Speaker? Given what is emerging about the forest resources generally, does the Premier not think it would be wise to bring our forest management practices up to par, our regeneration policies up to need and our pulp and paper environmental pollution under control before we contemplate any further alienation of 19,000 square miles of

northwestern Ontario? Is that too much to ask?

Hon. Mr. Davis: I would have thought the Leader of the Opposition would have had a greater degree of understanding of our discussions in the past month or so because I recall them very clearly. He may not recall what he has said but I recall what I have said and he usually listens and tries to understand.

I have made it abundantly clear that the proposed development in northwestern Ontario will be a subject for the environmental review or assessment board. It will meet the environmental requirements of the Ministry of the Environment, which requirements, incidentally—and I say this with great respect to my colleague, the premier of British Columbia who is with us today—which requirements are probably the toughest anywhere in Canada. This government has, in this industry as well as other industries, introduced policies and control mechanisms which I suggest are once again superior to those of most other jurisdictions where in fact a number of the industries have met these control orders—not all of them—and where they have not, we have not hesitated to prosecute.

I would just hope the Leader of the Opposition, who in one moment says we aren't doing enough to create jobs, understands that part of our responsibility in this House is to continue to stimulate economic growth in this province, including northwestern Ontario. We will discharge our responsibilities, creating a new mill in the northwest. It is a little different problem—it may come as a shock to him—to solve the problem of a plant that has been existing some 60 years. I am not going to defend Reed, Abitibi or anyone else, but neither am I going to stand in the way—

Mr. Lewis: It is not their fault. It is the government's fault.

Mr. Speaker: Order.

Hon. Mr. Davis: —of something that makes sense, that is reasonable, that meets the public interest. I would say to the Leader of the Opposition, no, we cannot stop the world and say, "Let's all get off for a two-, three- or five-year period of time," because there are thousands of people in this province who need jobs and I happen to be going to do my best to see that they get them.

Mr. Mancini: When is the election?

Hon. Mr. Davis: Why don't you ask your colleague right over there who supports it entirely? Don't you, Jack?

Mr. Lewis: At any cost, at any cost; yes.

Hon. Mr. Davis: No, I didn't say that.

Mr. Speaker: Does the Leader of the Opposition have further questions?

Mr. Lewis: You will go through the environmental hearings, I don't dispute that. It is the way you talk about economic growth and jobs.

Hon. Mr. Davis: On a point of order: I am prepared to give and take in this Legislature and we have a bit of fun, but at no time did I say "at any cost." I said specifically it will be done if it satisfies the public interest, and that includes environmental concern. The Leader of the Opposition knows darn well I have said this a number of times. It is totally irresponsible of him, misleading to the House and to the public, to create any other impression.

Mr. Ferrier: Why not answer the question for a change?

Mr. Singer: That is not a point of order.

Mr. Breithaupt: That is no point of order.

Mr. Speaker: Order, please.

Mr. Lewis: That is because the Premier and his government are being harassed about this all over the province; people know what is happening in forest management in Ontario.

Mr. Speaker: Order, please. This is not the time for a debate. We have had 15 minutes of the question period. Is there another question from the Leader of the Opposition?

Mr. Lewis: No.

Interjections.

Mr. Breithaupt: I hate to intrude in this discussion across the floor.

Mr. Nixon: Did the Speaker ever decide whether that was a point of order or not? You normally let us know when you think they are points of order.

OHTB BUS LICENCE

Mr. Breithaupt: A question of the Minister of Transportation and Communications with respect to the Greyhound-Gray Coach matter: Does the minister recall receiving a letter from his colleague the Treasurer (Mr. McKeough), dated March 15, with respect to the operation of Chatham Coach Lines in which

the Treasurer said: "Apparently the board ruling states that the board has considered the principle of free enterprise with a test of public convenience, etcetera. The reference to free enterprise has bothered a number of the present bus line owners, and I can appreciate their view; bus services have always been controlled to maximize benefits to the public." Does the minister recall receiving that letter?

Hon. Mr. Snow: Yes, Mr. Speaker.

Mr. Breithaupt: Was the Treasurer wrong in his point of view, or has there in fact been a change of policy from the public need and necessity that has gone on in the past, as the Treasurer has suggested?

Hon. Mr. Snow: No, I don't think there is any change of policy, or I don't think the events relating to the Greyhound-Gray Coach Lines application are in any way in conflict with what the Treasurer has stated. If I may, I'd like to put on the record the views of a number of organizations that have, over the weekend, taken the trouble to send me telegrams to give me their views on the particular application.

Mr. Breithaupt: We can revert to statements if the minister wishes, I suppose.

Mr. Speaker: Is this a lengthy statement?

Hon. Mr. Snow: It may take a moment, Mr. Speaker.

Mr. Singer: Why doesn't he table the document?

Mr. Speaker: We will have to judge whether it is a ministerial statement or not. Is it two or three minutes long?

Hon. Mr. Snow: It may be more than that.

Mr. Speaker: We will have to have the permission of the House to revert to statements then. Do we have permission?

Some hon. members: No.

Mr. Speaker: Apparently not.

Hon. Mr. Davis: Members don't want to hear the facts.

Mr. Nixon: Table the document from Eddie Goodman and the one from John Robarts.

Mr. Speaker: Order, please. Is there a further question?

Mr. Breithaupt: Yes, if the minister wishes to respond, using up further time in the question period, please go ahead. We would like the information.

Hon. Mr. Snow: I will try to be as brief as I can.

This is a telegram I received:

"We, the members of local 1415 of the Amalgamated Transit Union of Windsor, strongly support the Ontario Highway Transport Board." Signed Louis Welch, president. That is not the complete telegram but it is the main content.

Hon. Mr. Davis: Members know where that is from.

Hon. Mr. Snow: "We the members of the Amalgamated Transit Union, local 1374, Sudbury, Ontario, support wholeheartedly the decision of the Highway Transport Board in the granting of a certificate to Greyhound Lines of Canada, which will improve service to the people of the north and result in added employment." Signed E. L. Gleason, chairman, local 1374.

Mr. Sweeney: Do you have one there from the riders? How about the people who ride the bus?

Mr. Singer: Do you have one there from your riding president?

[2:30]

Hon. Mr. Snow: "Dear Mr. Minister. The town of Kenora's position with respect to Greyhound Canada application for doubling the passenger bus service on Trans-Canada Highway remains unchanged. Kenora supports decision of Highway Transport Board by giving approval to Greyhound application."

"By resolution dated March 22, 1976, the Sault Ste. Marie and District Chamber of Commerce supports the application by Greyhound Bus Lines of Canada Limited to improve carrier service from Sudbury to Toronto, which would be of great benefit to the citizens of Sault Ste. Marie area—"

Mr. Sweeney: Government by telegram—it's a great change.

Hon. Mr. Snow: "We understand that the licence for this additional service is presently being challenged and we take exception to any disruption in regard to this proposed service. J. B. Chambers, president."

Hon. Mr. Davis: You people have written off the Sault, haven't you?

Hon. Mr. Snow: "The council of the town of Dryden strenuously opposes the appeal of Toronto Transit-Gray Coach Lines to award made by Ontario Highway Transport Board to Greyhound Lines of Canada to operate regular bus service from Sudbury to Toronto in conjunction with Greyhound's existing routes from Sudbury west along Highway 17 to western Canada. The towns and communities in northwestern Ontario are remotely distant to the large urban centres and the additional bus service frequency is urgently required where transportation plays a major role in communication and the amenities of life. George Rowat, mayor of the town of Dryden."

Some hon. members: Great fellow—a Liberal too.

Hon. Mr. Snow: This one, I think, deserves reading into the record: "The entire membership of the Amalgamated Transit Union local 1374 in Ontario strongly supports the Ontario Highway Transport Board's decision granting licence to Greyhound Lines for additional service through Toronto. This will result in added additional service and added employment on all routes of Greyhound Lines across Ontario. S. R. Snowdon, Canadian international vice-president, Amalgamated Transit Union."

Mr. Singer: Is that your brother?

Mr. Speaker: Would it be possible for the hon. minister to summarize the balance of the telegrams?

Hon. Mr. Davis: Oh, they make such good reading.

Mr. Speaker: They're somewhat repetitive.

Hon. Mr. Davis: We just want you to know there's another side to some of these stories.

Interjections.

Mr. Speaker: Order, please.

Hon. Mr. Snow: This one is from councillor Ragner Larzo of the town of Nipigon—

Hon. Mr. Davis: Ah Jack, be careful; that's in your riding.

Hon. Mr. Snow: —and is very strongly in support of the Highway Transport Board's decision.

Hon. Mr. Davis: Jack is very strongly in support of this.

Hon. Mr. Snow: I have another telegram: "The recent wise decision of the Ontario Transport Board to extend the licence of Greyhound and extending their service on Highway 17 is beneficial to all the residents of northwestern Ontario . . ." I won't read the rest of it.

Mr. Singer: Oh, come on.

Mr. Sweeney: Some days are better than this.

Hon. Mr. Snow: That is signed by Mr. Walter M. Assef, mayor of the city of Thunder Bay.

"The membership of the Thunder Bay, Ontario, sub-local of the Amalgamated Transit Union, local 1374, unanimously supports the decision of the Highway Transport Board."

Hon. Mr. Davis: Where's Mike Cassidy today? He should hear all this.

Hon. Mr. Snow: Another rather lengthy one from Mr. R. L. Borden, president of Greyhound Lines, which states that the decision of the board will mean 130 new jobs in Ontario and an investment—

Mr. Singer: He is in favour of the decision, is he? He was the applicant.

Mr. Speaker: Order, please. We're wasting time.

Mr. Singer: Order? At this point you have the nerve to ask for order? Is he in order? Is that in order, Mr. Speaker?

Mr. Speaker: Order, please!

Hon. Mr. Snow: I believe it also says it will mean some $11 million in new investment.

I would add that those are all of the telegrams that I have received. There have been no telegrams or correspondence that I have received in opposition to the decision.

Mr. Breithaupt: Following the letter that the minister received on March 16 from the Ontario Motor Coach Association, did the minister meet with the members for that association to assure them that apparently there was no change in the policy, as—I quote from that letter to the minister—"recent decisions of the OHTB applications presently before it, as well as rumours and gossip with which the industry is rife, appear to provide some foundation for the above feeling"—that is, the matter of the fundamental policy change?

Hon. Mr. Snow: Yes, I received that letter. My deputy minister and I met with the executive of the Ontario Motor Coach Association

following that letter, and had a very good meeting.

I must say again, as I said several times last week, there has been no change in policy as far as dealing with applications by the Ontario Highway Transport Board is concerned. The difference, I believe, if there is a difference, is the fact that motor-coach operators or the bus companies, however we wish to refer to them, have made application to the board to overrun routes of other bus companies. I think if one goes back over the years, there have not been very many applications made by one operator for running rights over a route served by another operator. I think the business has been growing tremendously in this past number of years. There is a demand by the public for better service and, consequently, the more aggressive operators have been applying for additional routes.

Mr. Breithaupt: They are overrunning those routes the way the Russian army overran Berlin.

Mr. Speaker: Order, please.

Mr. Haggerty: Is the minister aware, Mr. Speaker, of the adverse effect this will have on the bus operations of Gray Coach from Buffalo to Toronto, which has about five runs a day leaving Fort Erie, and that there is a possibility of a loss of employment in this particular area through the decision of the Transport Board to allow Greyhound Bus Lines to travel from Buffalo to Toronto, perhaps giving them more leeway than usual, when there is already a reciprocal agreement between Greyhound and Gray Coach here in Ontario?

Hon. Mr. Snow: There's nothing to lead me to believe there will be any loss of employment as far as Gray Coach Lines is concerned. The chairman of the Highway Transport Board states, in his written decision, that the passengers carried by Gray Coach Lines on the route in question amount to only four per cent of the overall volume of passengers on its system. As I stated the other day, if the Highway Transport Board were to base its decisions solely on the criterion of not allowing competition in the bus business, there would really be little or no reason to have the Highway Transport Board consider applications.

Mr. Breithaupt: A further question, really dealing with the same matter, with respect to the comments the minister made on Friday stating that the process in his ministry on the presentation of an operating certificate would be to issue an operating licence: Can the minister advise whether that licence has been issued and whether Greyhound is already in operation within the province?

Hon. Mr. Snow: The licence has not been issued yet. I asked my staff to withhold issuing the licence until I had an opportunity to read the decision handed down by the board. In the past few days, I have had an opportunity to do that and to consider fully the written decision of the chairman. As far as I'm concerned, I have no further reason to withhold the issuance of that licence so it will probably be issued within the next day or two.

Mr. Breithaupt: Is Greyhound in operation now?

Hon. Mr. Snow: Greyhound has been in operation for a great number of years, I believe.

Mr. Breithaupt: In this circumstance?

Hon. Mr. Snow: No, of course they're not in operation on these routes. They have not been issued the licence.

Mr. Breithaupt: Thank you for the answer.

Mr. Cunningham: What is the process by which the minister communicates government policy to the Highway Transport Board?

Mr. Speaker: Order, please. The question had to do with the date of issue of the licence, not the overall policy. Are there further questions?

Mr. Breithaupt: Has the Premier responded to the telegram sent to him by Gray Coach concerning this particular decision? Will he share the content of his reply with the House?

Hon. Mr. Davis: I don't think I have replied to Gray Coach as a result of the telegram. As I recall the telegram I think it suggested the company would like to have a meeting. I will be suggesting to the company that I think it would be unwise to have a meeting if, by chance, it has launched an appeal—and it may have already; I haven't checked today. As the hon. member would know better than some and better than I because he's been in the courts more recently than I have, it would be sort of like a judge listening to one of the litigants prior to an appeal. Whatever communcation I make to Gray Coach, the TTC, Mr. Mallette and others, I think it will have to be on the basis

that I'm always prepared to meet with anybody on occasion if possible.

Mr. Peterson: That is what I like about you.

Hon. Mr. Davis: But in this particular instance, I think such a meeting would not be wise.

OHIP COVERAGE OF OPTOMETRY SERVICES

Mr. Breithaupt: A question of the Minister of Health: Is the minister aware of concerns expressed by optometrists that they are unable to bill OHIP for contact-lens therapy, a procedure which ophthalmologists can and do bill OHIP for, and does he have any plans to rectify this situation?

Hon. F. S. Miller: We have a number of professions who by training are able to do things we currently pay for if they are done by physicians. Optometrists fit in that category. I believe they have made significant gains since I became minister since they are now paid the same rate for refractions as ophthalmologists are. They may do them as often as ophthalmologists do, rather than once a year, as they did when I started. The question of contact-lens fitting is another one of those areas where both are qualified to do it.

I'm certainly willing to consider this and I believe my staff within the last two days have been talking about it with the optometrists. I assume I'll be getting advice from them, and their recommendations, shortly.

UNIVERSITY ENROLMENT DATA

Hon. Mr. Parrott: On November 9 the member for Peterborough asked me a question concerning the use of certain statistical data relating to university enrolments. The Leader of the Opposition also asked a supplementary question.

I have agreed to write to the hon. members with full details. However, I would like to assure them at this time that civil servants who handle the raw data are required to take an oath of office and, therefore, secrecy. Moreover, when the statistical tabulations are prepared, a rounding procedure is used so that it is impossible to identify individual persons. In July of this year, a letter was sent to all university presidents by my assistant deputy minister which gave them an opportunity of objecting to the procedures to be used in connection with the data. No objection has been voiced to this date.

I trust the written details I am making available to the hon. members will alleviate their concerns. I shall be happy to supply any further information they may require.

DEATHS OF MINISTRY WARDS

Ms. Sandeman: I have a question for the Provincial Secretary for Social Development. When the minister was making her visit to training schools during the summer, did the staff of the Ministry of Correctional Services and of the training schools make her aware of the fact that nine children had died in training schools during the previous year?

Hon. Mrs. Birch: No, they did not.

Ms. Sandeman: Supplementary: Would the minister then perhaps take it upon herself to report to the House on the causes of death of those children, whether or not inquests were called in each case, the training schools at which the deaths took place and the relationship, if any, between those nine deaths this last year and the 10 deaths that took place in training schools in the previous year?

Hon. Mrs. Birch: I would most respectfully suggest that the hon. member direct those questions to the Minister of Correctional Services (Mr. J. R. Smith).

TOWNSEND SITE

Mr. Nixon: I would like to put a question to the Minister of Housing, having to do with the timing of the new city in Townsend. Since the Steel Company of Canada has decided to further postpone its development in the Nanticoke area, is he giving any further consideration to the resolution from the Haldimand-Norfolk regional council asking for a new timetable and a new schedule for the undertaking of the housing sites in the Townsend area?

Hon. Mr. Rhodes: I indicated at the time I received the telegram followed by a letter from the regional council that I was prepared to meet with them and I would certainly do so. I have not heard anything further from them other than what I've read in the press as they congratulated themselves on a good move, making it appear they weren't really

aware of what was going to happen at Nanticoke.

I'm waiting until they contact me and I have a feeling the regional council members have thought it wise to wait until after December 6, at which time they will contact me, and I'm sure we will have a meeting.

[2:45]

Mr. Nixon: Supplementary: Since the Minister of Housing might feel it wise to wait until after May 18, 1977, or some such date, wouldn't he think that since their resolution was quite specific in asking for a postponement, that he should do something more than just have what we might call a facetious reaction in the House? There is a specific request backed up by the action of the Steel Company of Canada. Now that the minister has a report—for which his ministry paid good taxpayers' dollars—calling for a postponement, why doesn't he come down with a new timetable?

Hon. Mr. Rhodes: Mr. Speaker, I regret the hon. member feels I was being facetious. Perhaps I was and I apologize for that. I do think the meeting I had planned to hold with the regional council was to discuss all the aspects of their request for a postponement or a delay or a study of the timing of the whole project.

Certainly the notification I received from the regional council was prior to the announcement by the Steel Company of Canada that there would be a further delay. All these factors are being looked at now by people who are on the team working in the area. We are having staff contacts with the region and without sounding facetious, I do think they will meet with me after December 6.

Mr. Nixon: Not after May 17.

Mr. Makarchuk: A supplementary to the same minister: Is the minister aware that a postponement of the development of the Townsend site would mean the cost of housing would jump by something like $10,000 per unit?

Hon. Mr. Rhodes: No, I don't think I could say I'm aware that that is the sort of jump it would take. I'd be interested in seeing the hon. member's figures if he has them.

Mr. Nixon: Nobody in his right mind could be aware of it.

Hon. Mr. Rhodes: We are going to meet with the people in the area who are specifically concerned. The regional council has indicated it wants to discuss this matter with us and, as a result of the announcement by Stelco, I think we must discuss it with them after, I suggest, December 6 and before May 17 or 18.

Mr. Nixon: There are 10,000 serviced lots sitting down there.

SUICIDES IN PSYCHIATRIC HOSPITALS

Mr. Godfrey: A question to the Minister of Health, Mr. Speaker: In view of public concern in the Durham region about a series of recent events, will the minister be prepared to investigate and present a report on the abnormally high number of suicides at the Whitby Psychiatric Hospital?

Hon. F. S. Miller: Mr. Speaker, I took the time today, assuming somebody might want to ask that question, to review the statistics for suicides in Ontario and suicides within the psychiatric institutions in general.

Mr. Mancini: Nice of you.

Hon. F. S. Miller: It is interesting that for some reason Whitby has had a higher number of suicides in the year 1976 to date than it has had, I think, in any previous year in its history.

The total number of suicides, though, within the institutions of the province has not varied significantly when compared with those outside. There has been a gradual increase both in and outside institutions. I would say there is more variation among institutions than there is in the total.

We are, of course, looking into the reasons as to why that particular one should have changed its relative position. The year before the psychiatric hospital with the greatest number was Queen Street in Toronto. It had 14. It dropped from 14 to four in this present year. We've had a dramatic decrease in one.

Interestingly enough—and I haven't as yet found out if there's an assignable cause—the administrator of Whitby has just moved to Queen Street. I'm looking into that. He was at both institutions at the low period of their reactions. While we're looking for an assignable cause, the total figures don't appear to be out of line in context.

Mr. Godfrey: A supplementary: I am not accepting those figures because they do not refer to a community psychiatric hospital but rather to hospitals as a whole. In my initial question I asked if he'd be prepared to present a report on recent events. Does he

have figures on the number of fires which have been set at psychiatric institutions, that being one of the recent events I referred to?

Hon. F. S. Miller: No, I don't. I can easily get the member almost any statistic he wishes. I just happened to have the ones on suicides within these institutions; my figures are not simply for the psychiatric hospitals but for all suicides in the province.

Mr. Godfrey: General hospitals are included in those figures—

Hon. F. S. Miller: All suicides.

Mr. Godfrey: —the minister has not segregated community psychiatric hospitals.

Mr. Speaker: Order, please. We'll have a final supplementary.

Mr. Dukszta: I wasn't quite clear whether the minister gave the specific number of suicides occurring in Whitby. My information suggests there were 10 this year in comparison with two last year. Could he comment on, one, whether the figures are correct, and two, if they are correct, is he prepared to set up a commission to investigate it?

Hon. F. S. Miller: Yes, the figures are correct—two last year, 10 this year. It is just as true that there were 14 in Queen Street last year and four this year. What I'm trying to say is that there is more variation between institutions in successive years than in the sum total within institutions.

Sure I'll look into it. Obviously if we're having an increase in any one, we would like to know whether there is an assignable cause —lack of supervision, change in treatment methods, greater freedom for patients, whatever it may be. We were looking for it even before the questions were asked.

Mr. Lewis: The civil service gives you the phrase "assignable cause," you use it yourself.

Mr. Speaker: Order, please.

HYDRO NIAGARA ESCARPMENT LEASE

Mr. McKessock: Mr. Speaker, a question of the Minister of Energy: In view of the recent announcement that Ontario Hydro has leased 1,000 acres of land to Georgian Peaks Resorts in the Thornbury area, is Hydro still interested in this land for what it originally bought it for—a pump storage generating station—and if so when?

Hon. Mr. Timbrell: Mr. Speaker, I gave a commitment on Thursday to the member for Scarborough West to come back with further information. I have some information but it is incomplete at this point so perhaps I can answer the total question in more detail in a couple of days. But Hydro has no plans at this point to develop that site for a pump storage station.

Mr. McKessock: A supplementary question: In view of the fact the announcement also said there would be a marina and a golf course developed there, and in view of the fact that Georgian Peaks doesn't own any waterfront property, is Hydro going to allow this property to be developed?

Hon. Mr. Timbrell: Again, that's a question of detail which I would like to cover in a couple of days' time when I have all the information assembled.

MIAMI-CAREY WORKERS

Mr. Philip: A question of the Minister of Labour, Mr. Speaker: Subsequent to my question of November 18 and subsequent to the resolution sent to the minister by the board of control of the borough of Etobicoke, what action, if any, has the minister taken to persuade Miami-Carey to make first-refusal job offers at the new plant in Barrie to the Rexdale plant workers?

Hon. B. Stephenson: On three occasions last week I attempted to provide the answer to the hon. member's question but there was not sufficient time at the end of question period apparently.

We have been discussing this with representatives of Miami-Carey. We have obtained from them the factual reason for their move to Barrie which is that they will be amalgamating their plant and will be able to function more economically with one establishment than they could with three divided establishments in Etobicoke. They feel they will be able to pass on the improvement to the consumer and probably to the employees.

We have, as well, signed a memorandum of manpower adjustment with the federal government and with that company as of a few days ago and the employers are functioning actively in that adjustment committee with the hope of persuading some of the employees to move to Barrie, although I gather that not all of them will. The employment adjustment service of my ministry is actively involved in this.

Mr. Philip: A supplementary: I wonder if the minister can tell us whether or not the employees to whom they will be offering jobs will be only the non-unionized office workers or whether those involved in the UEW will also be offered positions? I wonder if she would care to comment on her statement last week that she is examining the possibility of amending The Labour Relations Act to allow for successor rights in cases like this where a plant is literally transferred from one location to another within Ontario?

Hon. B. Stephenson: As I said two weeks ago, as a matter of fact, in the midst of our estimates, we are examining The Labour Relations Act and looking specifically at this item. I have no proposal to bring in at this time but it's certainly one of the subjects being looked at very carefully within The Labour Relations Act.

It is my understanding that the manpower adjustment incentive situation applies to all the employees within the plant, not just to the office workers. Indeed, the company is interested in having some of those workers transfer to Barrie.

SENIOR CITIZENS' RENT INCREASE

Mr. B. Newman: Mr. Speaker, I have a question of the Minister of Housing. Does the minister not agree that the 28 per cent increase effective January 1, 1977, in the cost of the food portion of the rental rate of the senior citizens living at 415 University Avenue East in Windsor, the residence quite often referred to as "the hostel," is unwarranted in light of the fact that the cost-of-food index has not increased over the past year?

While I am on my feet may I add a supplementary so that the minister can reply to both? Does the minister not agree that an increase of $27, from $96 per month to $123 per month, is substantially greater than the guidelines set down by the AIB and the rent review board, and would not a phasing-in of any increase be a fairer way of implementing increases if any are absolutely necessary?

Hon. Mr. Rhodes: I am afraid the hon. member has me at a distinct disadvantage. I wasn't aware this particular increase was going into effect. I would be pleased to receive the details from him and I will inquire into what is happening. I hadn't heard about it until the hon. member mentioned it at this moment.

Mr. Speaker: The oral question period has expired.

Petitions.

Presenting reports.

Motions.

MOTION

Hon. Mr. Welch moved that the following substitutions be made on committees of the House: Mr. McCague for Mr. Evans on the resources development committee; Mr. Grossman for Mr. Kennedy on the administration of justice committee; Mr. Kennedy for Mr. Grossman on the social development committee; Mr. Shore for Mr. McNeil on the public accounts committee, and Mr. Jones for Mr. Norton on the highway safety committee.

Motion agreed to.

Mr. Speaker: Introduction of bills.

FARM PRODUCTS GRADES AND SALES AMENDMENT ACT

Mr. Grossman moved first reading of Bill 175, An Act to amend The Farm Products Grades and Sales Act.

Motion agreed to.

Mr. Grossman: The purpose of this bill would be to increase the maximum fine a court may levy against those persons selling, for example, decayed food, to $1,000 for a first offence, and in the case of a corporation raising the maximum from $100 for the first offence to $10,000.

Mr. Speaker: Orders of the day.

BUDGET DEBATE
(continued)

Resumption of the adjourned debate on the amendment to the motion that this House approves in general the budgetary policy of the government.

Hon. Mr. Kerr: The Leader of the Opposition should be here all day. I am going to my estimates.

Mr. Lewis: Let the Minister of the Environment go to his estimates and I will deal with him in the House.

I want to thank my colleague from Welland-Thorold (Mr. Swart) for having been kind enough to relinquish his remarks midway, as it were, to allow me to enter the

debate at this moment since later might not be either convenient or appropriate. I would also like to thank the House leader for his willingness to assist in making that accommodation, and the House leader of the Liberal Party as well. I do appreciate it.

One of the reasons was that I wanted the opportunity to make some remarks now in the budget debate on behalf of my party well in advance of the vote on Thursday—this Thursday next, I believe? No?

Hon. Mr. Welch: It has not been decided yet.

Mr. Breithaupt: Soon.

Mr. Lewis: I am sorry. I wanted to make them well in advance of the vote that is soon coming. I am pleased to hear it may not be as soon as Thursday. I would like to move a subamendment to our amendment—what do you think of that?—which is carefully cleared in advance and different in content in order to demonstrate to the Legislature some changes in perspectives and comments which we have on the events of the last several months.

[3:00]

Put very simply, if I may, since the original introduction of the budget a number of issues appear to us to have arisen and remain unresolved. A number of issues about which we felt strongly—like farm land, I say to the Minister of Agriculture and Food (Mr. W. Newman), with which I will deal momentarily—have maintained themselves at a level without resolution.

I would like, on behalf of my caucus colleagues and party, to put today, briefly, four of those issues; and to highlight them by way of a further subamendment to the budget motion so that when the vote comes it will be seen essentially for the non-confidence motion which it is.

The four areas which I want to make reference to are: One, rent control and rent administration; two, the protection of agricultural land in Ontario; three, the intended Reed Paper transaction; and four, the question of the creation of jobs in the province of Ontario, particularly as it flows from the mini-budget or the mini-financial statement, or balance sheet or however it is described, which the Treasurer (Mr. McKeough) tabled last week. I shall not waste time.

First, rent control and rent administration: The New Democratic Party remains in spirited opposition to the government on two fundamental grounds around the question of rents. First, the refusal of the government to give a guarantee, in advance, of the nature of the extension which it will provide for rent control after July 31, 1977. We are most concerned about that.

Second, we are most concerned that the whole process and experience of rent administration under the Act which we passed in this Legislature has been so manhandled by the government that it throws the rent review process into serious disrepute and cries out for reform of a number of kinds. On the question of rent review and rent control, what we want and need from the government is an indication, before this session adjourns in the middle of December, of the kind of legislation the government intends to bring in in the spring—if it does—which will prolong rent review or rent control beyond July 31, 1977.

As a matter of fact, if I may say so, since the landlords will prepare their rent increases in April, since those rent increases must be provided on May 1 in order to give the 90-day period required by law prior to an increase in rent which would bring us to August 1, 1977, it is absolutely obligatory that the government's rent control process be introduced now, effective August 1, 1977, rather than wait for the New Year. What we are effectively doing, with respect, is avoiding provision of the assurance, which tenants need all across Ontario, that terms of the agreements and the contracts which they will sign in the latter half of 1977 will be fair rather than discriminatory.

I don't care how many times the Minister of Consumer and Commercial Relations (Mr. Handleman) stands in this House and says the government made a commitment, if there is no law the commitment is without force. There must somehow be legislation which we know of at this point in time.

Along with the utter irresponsibility of refusing to provide for us an indication of what kinds of controls and reviews the government will continue beyond July 31, 1977, along with that utter irresponsibility, is the irresponsibility of the tears and holes in the rental administrative curtain as it now exists. We have, in this caucus, received an untold number of letters and petitions and submissions about the maladministration of the rent review programme.

We've noted, in a whole variety of ways: That it is absurd to continue rent review on a unit by unit basis in one given building when the building as a whole can be brought under rent review; that it is absurd that there

isn't a tenant's guide to consecrate in writing the rights of the tenant, as there is a guide for rent review officers and for landlords. We feel that it continues to be absurd that there are no ministry guidelines to rent review officers which are binding and are part of the regulations under The Rent Review Act. It continues to be absurd that there is no standard lease applicable across the province of Ontario which will give tenants protection. We continue to feel it absurd that so many rent review officers are using discretionary powers in a way which is positively distasteful and clearly inequitable as it applies to the tenants—and those cases have been chronicled publicly.

In other words we are determined that the review, the application of the rental administration procedure, be reformed. And that, along with rent control, seems to us to be an obligation of this session rather than of the next.

May I say, Mr. Speaker, through you to the House leader, that the New Democratic Party does not believe that those rent controls should be lifted until there is an adequate supply of rental accommodation in the province of Ontario. More than that, if, as the government argues, the cost of living index has in fact come down in their terms; and if, as in fact the Anti-Inflation Board argues, wage settlements must now be contained within a level of six per cent in the next year; then it seems to us that not only should rent control be extended but that the percentage increase allowable by law should also be dropped to nearer the alleged drop in other sectors of the society.

Let us face it, that six per cent, of course, will not deny the landlords the right to take more if they can simply prove to the rent review officer or tribunal or whatever that they are so entitled, as they've been allowed to do up until now.

In other words, the whole question of the way in which the government has approached rents mirrors its own ambivalence and its own ambiguity about a Conservative approach to intrusion in this part of the private sector. We fought hard in the last campaign on this matter; we anticipate that we'll do it again with pleasure if we are driven to that.

We say to the government that it is wrong and irresponsible not to introduce before the middle of December the kind of extension of rent review which it intends to provide, if at all. And if it does it in the spring, it is inviting enormous problems for a number of tenants whose leases are being renewed on a month to month basis or a six-month basis; and from this government, one would have expected something better.

That's the first point I wanted to touch on, Mr. Speaker. The second point I want to touch on is the question of farm land in Ontario and its preservation. I'm sorry the Minister of Agriculture and Food had to leave, but I can understand that.

Hon. Mr. Welch: He'll be back.

Mr. Lewis: To be fair to him, he didn't know I was going to speak and there's no reason in the world why he need be here. I will deal with it, however, in his absence, because he can read the record even if he can't be here to heckle me.

One would think that with the central nature of the farm land issue in the last provincial election in August and September of 1975, the government would somehow have responded—that in the interim 14-month period it would have been possible for the government to fashion some guidelines within the food land development branch of the Ministry of Agriculture and Food, even if the government was not prepared to go so far as we would wish them to go in terms of the designation of prime agricultural land.

The reality is—and it's the reason for our raising it again in the twilight period of the budget debate—the reality is that the government has not only failed to introduce guidelines, the government has not only failed to introduce policy, but the government has failed to protect or has failed to act on protection of the area of the province which is most vulnerable—and that's the Niagara Peninsula.

To this day, 14 months later, we still have before the government the request of the regional municipality of Niagara to expand its borders for urban growth. To this day we still do not have a response from the government of the province of Ontario. It is natural, therefore, that the Niagara Peninsula stands as a symbol of all that is wrong with the preservation of food land in Ontario.

Instead of the policy which anyone in his or her right mind would have seen should be forthcoming, the government has attempted, perversely enough, eccentrically enough, to tackle us on our own ground, on the number of acres per hour going out of production. I gather, from what I have heard personally and what I have witnessed generally, that the Premier (Mr. Davis) was agitated by the use of the statistic of 26 acres an hour; and clearly so were a number of leading Conservative lights, not the least of which was the House leader who burns brilliantly all the time.

Hon. Mr. Welch: Just a matter of accuracy.

Mr. Lewis: As a matter of fact, the figures were taken from Statistics Canada for 1966-71 and projected on the assumption there has been no decline in the process; I suspect there may even have been an increase.

What the government has done by way of an attempt to reply is to take a look at the assessment rolls in the province of Ontario and to make an argument about the amount of agricultural land which we have. The Minister of Agriculture and Food has not, as often as he might have, pointed out that there is no comparison between the Statistics Canada figure and the assessment figure. When he does point out that there is a difference in definition between the two, he then goes ahead and compares them anyway in his own friendly and amiable style. The fact of the matter is that we will know the truth about the 26-acre-an-hour figure when Statistics Canada re-emerges. The interesting phenomenon is that—

Hon. Mr. Welch: He doesn't have to wait for them.

Hon. W. Newman: You don't have to wait.

Mr. Lewis: —Statistics Canada will, I am sure, attempt to facilitate the end of that argument by giving us the data in advance of the next election campaign. Happily that's the way it works. At some dramatic moment in time between now and then we will know the figures from 1971 to 1976 on the same base.

The Minister of Agriculture and Food points to himself engagingly and implies that the ministry knows them now. What the ministry knows, of course, are the assessment roll figures for agricultural land which include land held by developers but not used for farming, which include vacant lots, which include brush, which include class seven land; which include all kinds of land which of course was not included in the StatCan figures. However, that minor inconsistency aside—minor only in the mind of a Tory fanatic, lovable though he is—

Hon. Mr. Welch: Withdraw.

Mr. Lewis: Pardon; which one?

Hon. Mr. Welch: Fanatic; withdraw.

Mr. Lewis: I withdraw.

Hon. Mr. Welch: It is dedication, conviction.

Mr. Lewis: I withdraw. Fanaticism is not a quality given to Tories. Myopia, paralysis, almost anything else; but fanaticism, no.

What the Minister of Agriculture and Food has done instead is to make a number of speeches, all of relative insignificance, detailing the question of assessment and the way in which it shows agricultural land available.

May I say through you, Mr. Speaker, to the Minister of Agriculture and Food that his most significant contribution, if I may say so in that regard, was the speech he made on September 3, 1976, to the agricultural day luncheon at the Canadian National Exhibition. It is a speech which a number of Tory cohorts have picked up and promenaded around the province of Ontario, using essentially the same data and the same statistical evidence.

[3:15]

It's really interesting that the minister is determined to use assessment figures which he knows give an entirely false, distorted—certainly distorted—an entirely distorted picture of what is going on because of the way they can be used. As a matter of fact, I would like to recall the minister's words—some that he's doubtless forgotten, because he wouldn't wish to recall them, but I'll do it for him, basically because of generosity. Can I recall for him some statements he made about the absurdity of using these kinds of figures, the figures he's now employing, because of the essentially distorted pictures they give about agriculture—using these figures to pretend this is land which can be used.

In Brampton—Brampton, no less—before the Board of Trade Farmers' Night on February 25, 1976, the minister said—and I quote:

"Incidentally, as another example of the pitfalls inherent in accepting statistics without careful study, you may recall a phenomenon that occurred during provincial reassessment about five years ago." Ironically, you were dealing with assessments.

"A lot of land owners suddenly recalled that if a property listed as agricultural land lies idle for two years, it becomes liable to residential assessment and higher taxes. You sure saw a frenzy of activity then in the fields around here—so much, in fact, that assessors still refer to the phenomenon as 'the greening of Peel.' That's not the sort of solid farm production I want to see, of course."

It's not the kind of solid farm production the minister wants to see because he knows, being a scrupulously honest man, that the

use of those assessment figures in that way gives a totally distorted conception of the quality of agricultural production which is available for those lands.

But let me take the argument on to the minister's ground even more directly. The minister said—this is really very interesting—that in southwestern Ontario, our major agricultural district, there are 5.36 million acres of land currently being farmed. He also said that there are 66,000 acres of agricultural land which remain idle but could be farmed. And he said, in a fashion which struck me as rather sanguine, that that gave about one acre of replacement land for every 100 acres being farmed. He seemed to feel that in the richest belt of the province of Ontario, that was really quite satisfactory. I must say a ratio of one acre to 100 acres being farmed hardly strikes the New Democratic caucus as satisfactory. As a matter of fact, it strikes us as being perilous in the extreme. But if the minister is satisfied with that—

Hon. W. Newman: How can you mislead the House?

Mr. Deputy Speaker: You are not suggesting the speaker is misleading the House?

Hon. W. Newman: No, I am saying he is not telling the whole story, Mr. Speaker.

Mr. Lewis: Oh? I will read the direct quote from the CNE speech. I admit I was recalling it. It says:

"In our major agricultural district, southwestern Ontario, we find more than 5.36 million acres being farmed now in 11 counties and regions. Potential food lands that are not being used for farming or anything else amount to more than 66,000 acres or a bit more than one acre in reserve for every 100 acres being farmed. That seems appropriate for an area of intensive agriculture." Did I mislead? I was absolutely impeccable in conveying the absurdity with which the minister endowed this speech. I didn't mislead at all.

Hon. W. Newman: Read on. Read the rest of the speech.

Mr. Lewis: I'm going to get to the rest of it. The interesting thing is that the minister is willing to settle for one acre of replacement land for 100 acres of good agricultural—

Hon. W. Newman: I didn't say "one."

Mr. Lewis: The minister can throw whatever epithets across the floor he wishes. I won't dignify them by giving voice to them.

Mr. Deans: The minister is also unparliamentary.

Mr. Lewis: But I want to go on with the analysis. The soil surveys—and I hope the minister is listening to this—the soil surveys of that area of southwestern Ontario show a total of class one, class two and class three agricultural land of 5.27 million acres. The Canada Land Inventory and the soil surveys we have show 5.27 million acres. There is a total of 5.36 million acres now being farmed. The reality therefore is that any additional land available is of much lesser worth, much lesser farming durability; to talk about it as though it is an adequate substitute for the present prime agricultural land is so much balderdash. The government has no additional land in southwestern Ontario and if it looked at its Canada Land Inventory maps, it would know that.

Now, let me take you, Mr. Speaker, to the silliest part of this speech, which was from the minister's point of view the central part. The minister said, Mr. Speaker, that in the "golden horseshoe" area there are 1.45 million acres being farmed and there is a quarter of a million acres in reserve; 1.45 million being farmed, 250,000 acres in reserve.

Now again, we've looked at the Canada Land Inventory, we've looked at the additional soil studies and we find that class one, two and three land occupies 1.67 million acres of the "golden horseshoe."

One point four five million acres of it is already being farmed, which means that if there is another 250,000 acres to farm it is all lesser quality land and it is nonsense to talk about it as an alternative to the prime agricultural land we are now farming. And it is exceeding discourteous of the minister, not to say inelegant and misleading, to trot these kinds of figures around Ontario when it amounts to even less than a hill of beans. He doesn't have the land.

But let's take the argument a third step. Even if the minister did have the land, has he looked at the cost of the land per acre in the whole Metropolitan Toronto and Niagara region—he called it the "golden horseshoe" region? Has he looked at the cost per acre?

One of the things we were very fortunate in getting was a private document from the Ministry of Revenue, 1975, which document was used for the Blair commission report in the preparation of material. The unpublished document shows the average 1975 sale prices per acre of farmland in the various areas of the "golden horseshoe." Can I put the prices on the record?

In Hamilton-Wentworth in 1975, the average price per acre of farm land sold was $1,500; in Niagara, $1,750; in Durham, $2,924; in Halton, $3,859; in York, $4,274; in Peel, $8,672 per acre.

Now the Minister of Agriculture and Food is a man with some farm background. Is he pretending that any farmer anywhere could buy additional land at these prices per acre and make a return on investment? He knows that's not possible. As a matter of fact—although I won't take the time of the House to do it; I've done it elsewhere and we will do it all over southern Ontario—when one takes the costs of production using the Ministry of Agriculture and Food costs with the revenue per acre added in, and if one looks at the carrying costs based on money borrowed, let us say, at nine or 10 per cent, and if one looks at the selling prices based on the monthly crop and livestock report of the Ontario Ministry of Agriculture and Food, then no matter what commodity one takes, one cannot make it pay at those prices. The minister is pricing farmers right out of their land if he pretends that any of that quarter of a million acres of additional land is really a replacement for what we are now farming.

So what does it all show when you look at it in the context of what has evolved since September of 1975? Number one, the minister is using to chronicle farm lands assessment figures which are distorted from the moment they are employed—distorted because they use scrub land, development-held land, class seven land, bush land. If that isn't true then I issue on our behalf, Mr. Speaker, through you to the minister, a challenge right now: Let him table in the Legislature the classes of the reserve land which he talks about. Let him table it in the Legislature.

The minister says publicly, he and the Treasurer, that there is one acre of land in Ontario for every acre presently being farmed. We challenge him to table the classes of that land in the Legislature. We'll be glad to see it, because the minister knows where that land is and my colleagues from northern Ontario know where that land is. So the use of the assessment figures is distorted from the outset, bears no comparison to Statistics Canada, and gives a totally false impression.

Number two, if we take a look at the areas for which the minister argues there is decent alternative land in southwestern Ontario and the "golden horseshoe," we find upon analysis, using the Canada Land Inventory and various other data, that any land he may have is of much lesser quality and therefore not a real substitute.

Number three, we find that if we're dealing with some land which might be farmable, then the purchase price is so high per acre, based on government documents, that one couldn't possibly make a return on investment no matter whether one did it in corn or in barley or in wheat or in a number of other commodities for which we have made the calculations.

The upshot is, Mr. Speaker, that everything the government has said about agricultural land since September, 1975, is shot through with faulty argument, faulty data, and faulty reasoning, with respect, and when we look at it carefully and scrupulously, this is what emerges.

I say, Mr. Speaker, through you to the minister, with respect, that there remains the most compelling reality of all—that we simply have to provide some kind of protection.

I continue to say on behalf of my colleagues, Mr. Speaker, that this is not an obsession which is given to the New Democratic Party alone under any circumstances. This is something which is held to by all kinds of groups. I was fascinated, and my colleague the member for York South (Mr. MacDonald) who speaks about these matters constantly, was fascinated, to note that the minister has just received from the Ontario Institute of Agrologists, this very month, yet a further update on their original position, in which they say again: "For these reasons, as well as others developed more fully in our previous statement, we in the institute again urge that the Ontario government immediately takes some further positive steps to preserve for agricultural use land classed as one, two and three in the Canada Land Inventory along with special crop land."

We used the Canada Land Inventory to show that the figures the minister has used for southwestern Ontario and the "golden horseshoe" region alone are invalid. They want him to designate those lands. They say: "As a first step in this direction, we urge that legislation be introduced which would designate all class one, two, and three lands and special crop lands as food land. And further, that in future, land designated as food land should be released to other uses only when it is proven that the need for such land cannot be met from the supply of lower quality land and that society will benefit from the change in use. Announcement by the government of the designation of class one, two, and three lands and special

crop lands as food land would, we believe, automatically slow the loss of prime food land."

The agrologists are right. It would automatically slow the loss of prime food land.

Hon. W. Newman: Glad to hear you say that.

Mr. Lewis: The minister likes to hear us say that? Well, we've said it all along. We've said that there must be statutory protection for farm land. We've said that there must be designation of class one, two, and three land. The problem is that every time we've said it, the minister says, "State ownership." Every time we've said it the minister says, "Socialism in agriculture. Socialism in farm land." Then, lo and behold, the member for Dufferin-Simcoe (Mr. McCague), the former chairman of the Niagara Escarpment Commission, who's not here at the moment, introduces a private member's bill, An Act to provide for the Designation and Retention of Foodlands, and puts in the bill, in principle, a position which corresponds very closely to the kinds of arguments which many have been making.

Mr. Warner: Maybe he is a socialist.

Mr. Lewis: The creeping socialism within the Tory ranks is not always evident, but in this case it's really interesting. I didn't hear the minister mock his proposal, and I take it that if a back-bencher of that stature introduces this kind of proposed designation it means that it's likely to become law at some point in time. I want the minister to know that if and when he makes it law he is not going to get resistance from the New Democratic caucus.

[3:30]

But I also want to tell the minister, through you Mr. Speaker, that the designation itself isn't enough. He has to establish guidelines and criteria without the observance of which it becomes impossible to shift that food land to alternative use. He has to protect that land and make developers and other groups fight for alternative use as part of our absolute and unequivocal commitment to the preservation of agricultural land in this province.

So I say, to pull it together, that the assessment figures are wrong, the data is wrong—even if it was right one couldn't afford the land. There are clearly people in the wings lurking, pressing, anxiously cajoling government into the designation of the land and somewhere along the way the minister is going to have to protect Niagara and he is going to have to designate that land or in fact he will be faced with yet another assault on the hustings around the preservation of agricultural land and make no mistake about it. As I said earlier, Mr. Speaker, when we get closer to the day in May or June there is going to be a whole range of new data on our side.

That leads me to the third point I wanted to make on behalf of the members of this caucus. That relates to the question of the Reed Paper company transaction and it too has to do with land. It does with the forest resources of northern Ontario what we have been attempting to do with the agricultural land in southern Ontario—saving our land being a central theme which the New Democratic Party feels terribly strongly about.

I understand that the argument continues to rage, Mr. Speaker. I see the argument continuing to rage all around the province.

I find it quite fascinating—as a matter of fact, if I may just sort of comment almost in passing on events—I find it of interest to see the way in which the Conservatives feel compelled all over the province to attempt to justify the Reed transaction. That's an unusual response for the Tories in Ontario to go out on the hustings and energetically to construct a reply to an opposition position.

I think that it has happened because all over the province of Ontario the proposed transaction, which may or may not take place, is seen as wrong. It's seen as wrong by a great majority of the citizens of Ontario. And I want to tell the cabinet ministers who are here, through you, Mr. Speaker, that it has been the experience of our northern members in contact with northern constituents sitting on northern open lines, even as in a place like Sault Ste. Marie, to find the communities agitated about the intended Reed Paper transaction and what the government has in mind.

And what we always thought to be true appears to be true. This isn't a southern Ontario issue. This is an issue which unites the province. The province generally cannot believe that the government would contemplate this kind of transaction.

This is where the Premier and his Tories and the New Democrats part company. It isn't a matter of the environmental hearing process. If I may, without betraying secrets, I was one of those who had talked to the Premier from time to time about the validity of The Environmental Assessment Act; talked about the validity of the Environmental As-

sessment Board; liked the idea of an independent chairman; feel uncomfortable about it primarily because it is unacceptable to the people of Treaty Nine and therefore it must be unacceptable, because the government can't have the hearings without Indian participation. Can you imagine the Berger inquiry without native peoples appearing before Justice Thomas Berger? That is what is presently in store for us in northwestern Ontario.

We understand the validity of the Act. We understand that it is going to come before the board. We understand the safeguards which the government, in its mind, feels it has built in. With great respect to the Premier and to his colleagues, that is not the issue. The issue doesn't consist of the safeguards imposed after a calamitous decision is made. The issue doesn't consist of building in appropriate environmental constraints after you have made a significant error in judgement. The issue consists very simply: Should we proceed with the proposal at all? The New Democratic caucus says no, not in this form, not at this time.

We have said no, as you know, Mr. Deputy Speaker, for a number of what we think to be perfectly legitimate and compelling reasons. There are really three.

First of all, we have said no because of size. We don't think that any one company—and I must say I don't care whether it is the Reed company or any company in Ontario—should be given a tract of land verging nearly on 19,000 square miles of the last virgin timber resource we have, period. As an axiom, no company should be given that kind of land. Therefore no hearing should flow on a decision which contemplates that as a possibility.

May I point out to you, Mr. Deputy Speaker, what you already know and know well, that no other company in Ontario has ever received that kind of land. As a matter of fact, the largest licensed area given to any one company in the province of Ontario hitherto has been 16,054 square miles to Abitibi; but Abitibi has seven licences and nine mills on that 16,000-square mile tract. We are talking about giving Reed one licence and one mill on a 19,000-square mile tract. If you look at the next total licensed area, you find it's Great Lakes with 15,091 square miles; but Great Lakes has five separate licences and a number of mills.

Again, it is wrong to give one company 19,000 square miles in the fashion that is being contemplated. The average licensed size in this province is roughly 3,500, 4,000 or 5,000 square miles, maybe smaller, looking at the pattern of individual licences. We have never considered giving a licence of this size to any one company. I remind the members of the government, who are here this afternoon overflowing their ranks, that it was the observation of Professor Armson in June, 1976, in his report to the government that, "these large areas, perhaps justifiable under a regime of exploitation only, cannot be justified when forest management is both possible and feasible."

It makes no sense to us, that the government would be contemplating a licence of this size when all of its own experts say nay; and everybody who is engaged in this, that I have been able to read and we have been able to talk to, those who are professional foresters and those who are involved, argue quite persuasively that the granting of a licence this large is an invitation to bad forest management. The Premier can beat his breast all he wishes about jobs, the reality is this proposition is wrong in principle on grounds of size alone.

Thus, Mr. Deputy Speaker, as you know better than I because you are a man of capacity and expertise in this field, it is wrong on other grounds as well. It is wrong on the simple ground of regeneration and reforestation. As we get into this matter it becomes clearer and clearer that the forest resource sector of Ontario is in real trouble. Boy, are we in trouble! And nobody has been willing to acknowledge it for a considerable period of time. We have had, at the last count I made, 11 major government studies from 1924 to 1976, all of them speaking to the problem of reforestation, all of them ringing the alarm bell; some of them of very great status prophesying highly calamitous events.

The Deputy Speaker will recall that the timber revenue task force of October, 1975, says—and this is very hard to believe—"Given the continuance of the current level of regeneration, there is a distinct potential for timber shortages in the 1980s." Who in God's name could believe that in the province of Ontario we have squandered our forest resources so badly that there is a potential shortage in the 1980s? If one reads the documents—and I encourage every member of the Legislature to do so—of the other foresters, the words of Professor Hearden which the member for Lake Nipigon (Mr. Stokes) used in his leadoff in committee on Natural Resources, the words of John Parry, the young Ministry of Natural Resources forester who supervises the present Reed limits under the name of Dryden Pulp and Paper, if one reads all of that one realizes that we are in a critical situation over reforestation. I simply repeat what everyone knows.

We lose a third completely. We hope a third regenerates naturally. And we plant a third from government in the hope that that will do the job.

Can I read into the record of the House something that I am not sure has been read into this discussion before? In the ministry report, Survival and Growth of Tree Plantations on Crown Lands in Ontario, 1974:

"The results of the regeneration survey five years after planting showed: 1. In four northern districts six per cent of nursery stock black spruce was classified good by height, 27 per cent fair, and 31 per cent poor. Failure rate was 50 per cent. In three northern districts, three per cent of tube seedling black spruce was fair, 31 per cent poor. Failure was 66 per cent." In other words, Mr. Speaker, as you know, not only is one third replacement a shocking indictment of the failure of the government, but even that third has its own failure rate, in places of 50 to 60 to 70 per cent.

In other words, the crisis in forest management and regeneration is upon us. It is the responsibility of the government to handle it. The government has failed to handle it, and yet the government wants us to give them carte blanche to enter into negotiation, however many scruples they may observe, with a company to get another 19,000 square miles of northwestern Ontario. I don't think we should give them that right; we don't think it should proceed at all, however the hearing may develop.

I think, and we think, that on those grounds, on grounds of forest management and on grounds of lack of reforestation, those two compelling principles alone, the Reed transaction should not be contemplated and should be abandoned. However, there now emerges new and additional information which makes us really wonder at the basic sense of balance in the cabinet.

Now we know, after several years of study, that the environmental pollution of these companies has been waiting for the last 11 years for government supervision. The pulp and paper industry has created an enormous environmental problem all through northern and southern Ontario where the industry is located. But again government, for whatever reason, has not moved in on the transgressors until the last very few weeks literally—and even then we don't know how serious this government is. To top it all off, the single greatest transgressor in the most critical area of environmental pollution has been none other than the Reed Paper Company.

The Minister of the Environment (Mr. Kerr) said in question period today that he considers it a matter of tribute to the government, or words to that effect, that the government is not deterred by the Dryden mill experience in granting 19,000 square miles as a possible licence for the Reed Paper company. I'll say it is not deterred. But if we may be perverse about it for a moment, we sure as the devil would be deterred.

If we have 31 pulp and paper mills in Ontario the vast majority of which are polluting the environment in a disastrous fashion. If we have 31 pulp and paper mills in Ontario against whom the government has to levy either ministerial orders or charges—and that deals with the majority of them. And if the worst of them is the company the government wants to negotiate a 19,000 square mile tract with, we would pause.

As a matter of fact, if it doesn't seem quaint, we would probably say, "You get your house in order jolly quick before we will talk to you about any additional timber licence, anywhere in the province of Ontario." We wouldn't hesitate about that for a second.

[3:45]

I don't know whether the members of the Legislature have looked at the updated report which is now out, Alternative Policies for Pollution Abatement; the Ontario pulp and paper industry summary and update. There were standards set in 1966, there were standards set in 1969, there were standards updated in March, 1973; and in all those years they've never been met.

The situation for a number of these individual companies, is absolutely unbelievable. The tables which accompany the document show the effluent that is discharged into the rivers beside the various plants and they do it by way of tons per day. They look at the suspended solids and they look at the BOD-5 tons per day—that is, the amount of organic material which is discharged into a river which depletes the oxygen and therefore, results in very serious destruction of the river and streams surrounding the plant.

If we look at some of these plants it's really quite remarkable. In the discharge of this organic matter, which has the most significant deteriorating effect, the Abitibi mill in Iroquois Falls discharged 58 tons a day in 1970; it discharged 70 tons a day in 1975. The Abitibi panel mill in Sturgeon Falls discharged 7.8 tons a day in 1970; it discharged 17.6 tons a day in 1975.

Here's one which should give people pause: The Canadian International Paper plant at Hawkesbury was discharging 176 tons a day in 1970 and 188 tons a day in 1975. I have difficulty imagining 188 tons a day of effluent of organic matter discharged—the Speaker probably knows, but I certainly don't. And that's on top of the suspended solids which the company discharges every day—several tons a day in 1975.

In other words, if I can put it in summary, out of 31 mills only three have met the objectives for organic matter and six for suspended solids; 12 mills have increased their organic matter discharge since 1970; six have increased their suspended solid loading; three mills have increased both from 1970 to 1975. Four mills are classified as potentially dangerous to human health; five mills are identified as causing gross deterioration to the environment; one mill is still discharging a mercury compound.

Is it possible ever to imagine, in writing from the ministry, a greater or more specific indictment of the failure of government? It's all here in the document and all of it is in the pulp and paper industry.

The reason I singled out the Reed Paper company wasn't simply because it's engaged in the northwest transaction. It's because, in the discharge of the serious matter—the organic compound which drains the oxygen from the rivers—the Reed Paper company has jumped from 24 tons a day to 46.2 tons a day from 1970 to 1975. That's an increase of almost 100 per cent and don't let anybody in this House, the Minister of the Environment himself included, tell me this nonsense about it being an old mill.

I know it's an old mill. Many of us have been through old mills. I was through a relatively old mill at Espanola this weekend. I've been through the old mill at Iroquois Falls; the old mill at Fort Frances; the old mill at Kenora. Just four or five weeks ago I was through the old mill in Cochrane—what's it called? What am I thinking of, in Cochrane North? Smooth Rock—the Smooth Rock mill.

The reality is that even though some of these mills may be old, the government has set objectives which it feels the mills are capable of meeting. The objective for the Reed Paper company, for example, was a discharge of five tons a day; instead it's 46 tons a day. No one has to tell us that it's because it's 60 years old. That's just turning the Minister of the Environment into an apologist for the pulp and paper industry. That's what happens to the minister when that kind of thing occurs.

It's a totally undignified business. If they can get any solace from the proposition that 10 years later they're finally undertaking enforcement of the ministerial control orders, that doesn't satisfy the New Democratic Party. Do you know why it doesn't satisfy the New Democratic Party, Mr. Speaker, if I may say so? It is for one very simple reason over and above all the others. This is really a kind of interesting related point. Whenever we talk as a party about cleaning up certain work places and environments, we are always told by the companies involved and the government involved: "We'll have to shut down; you're gonna lose jobs; is that what you want?" We've been told this by Falconbridge, we've been told this by Inco, we've been told this by lead plants, and we've been told this by pulp and paper companies. Every time we talk about cleanup, they say: "Our profits can't manage it. We'll have to close down."

In Elliot Lake on Friday afternoon of this last weekend—I say this in the presence of the Minister of Labour (B. Stephenson) because I know she will at least be interested—I met with the health and safety committees of the two locals attached to Rio Algom and Denison. In Denison Mines, as you may know, Mr. Speaker, the four working months per year level of exposure has been reached in some work areas, but not in all work areas, and the workers are getting rather nervous about the extent of their exposure. As a matter of fact, they made a remarkably fascinating point to me, which hadn't occurred to me at all. They said: "Now that we learn there's radon gas seeping into our homes as a result of a rock fault running through the town and as a result of landfill, and now that the Atomic Energy Control Board has identified between 150 and 200 properties where the readings of radioactivity are in excess of the background threshold limit, don't we have then to look at our exposure underground along with the unexpected exposure above ground, because together it may mean that we shouldn't be spending as much time in the mines. Up until now, we've never thought that when we go home we're exposed to radioactivity. Now we suddenly learn we are." It was a really telling point.

When they raised this kind of point with Denison and when they said to Denison, we should get it down to three working-level months rather than four working-level months of exposure to radioactivity, do you know what the general manager of Denison said to that union local? The men who were there

at the meeting confirmed it and gave me the names of the people who attended from Denison. They said: "If you try to get it down lower, we'll have to close the mine." They even went further. They said: "That isn't a threat, that's a reality."

That's what we get from the corporate sector all the time. Every time we want to do something about worker protection and environmental control, they say: "It's too costly. We'll have to close the plant." The New Democratic Party has been saying to the government: "Call their bluff. We don't believe it, that's a lot of nonsense."

That's what we heard from United Asbestos in Matachewan. I got readings on my desk from United Asbestos in Matachewan today, and three out of the four readings in three or four critical areas showed contamination of less than one fibre per cubic centimentre. A year ago they said they couldn't bring it down to five fibres per cubic centimetre. You put the blocks to these companies and they adhere to the law.

The pulp and paper industry has been saying to us, for God knows how long, "We can't." Then in the government report the following words appear—and I read it for the record; I read it for my colleagues and I read it for the Deputy Speaker's absorption: "The firms in the Ontario pulp and paper industry would be able to absorb the costs of meeting the environmental objectives as established by the Ministry of the Environment without mill closures, without substantial layoffs and without a significant deterioration in the industry's profit performance."

How do you like that, Mr. Speaker? That's really put an end to the nonsense about the way in which industry responds to the pressures from government. It also shows up the Ministry of the Environment for the lack of political fibre which characterizes it even unto this day at the decision-making level. There was no reason for it to have waited 10 years before coming to grips with these companies. The companies could afford it and there would have been no unhappy consequences for the communities or the work force.

That means, for us, that on all counts—the size of the intended tract; the lack of regeneration; the situation of environmental pollution in the pulp and paper industry—this whole Reed proposal doesn't make any sense at all. To those who are forever saying, "Let's have the environmental hearing process and see what it does. Nothing will happen unless it's approved:" our response is: "Don't do it that way. That way is the path to further calamity. Get your own house in order. Fix up the forest industry in Ontario. Rationalize the licences. Provide reforestation. Clean up the pollution from the mills. Secure the jobs we now have. Eliminate the possibility of timber shortage in the 1980s. And then if you want to contemplate looking at that 19,000 square miles go ahead and look; but not until then."

We've even said, if the government wants to look at that point in time, there is a variety of things it can do. It can look at giving the Indian communities cutting rights and sawmills. It can look at extending present rights and limits in order to secure present jobs. It can look at using a smaller portion of the land distributed among a number of companies. It can look at public-private arrangements in consortium. But it doesn't consider at this point in time under any circumstances, given the massive evidence, even initiating the two and a half year process at the end of which Reed might get a licence.

When I say to the Premier "at any cost" he gets very excited and agitated as he thinks I speak purely of the environmental hearing process. It's not that of which I speak as a democratic socialist. What we're talking about is jobs for the north at equivalent costs.

Something has to be done to build northern Ontario which doesn't forever base it exclusively on the resource sector. That happened to Blind River when there were no more trees to cut down. Go up to Blind River—I invite any member to go up to Blind River—and speak to a community whose unemployment rate is regularly 25, 30 and 35 per cent because the renewable resource wasn't renewed. Spend some time in Cobalt and ask what happened when the silver mines closed down. Talk to the Deputy Speaker of the House about what was felt in the community of Geraldton when it was under economic pressure. They'll give you an earful about renewable and non-renewable resources, Mr. Speaker.

This business of forever giving the north the resource jobs while keeping the manufacturing jobs for the south all has to change. We've said it before and we'll say it again—I'll just say it once and draw my remarks to an end. One of the great ironies in this whole business of the Reed Paper transaction is a little paragraph in the prospectus for the fall of 1976. After the prospectus filed with the Ontario Securities Commission to seek a $50 million loan was completed—or in its contents—there is reference, of course, to the Ear Falls-Red Lake Mill. There is also re-

ference to the following: "We"—the Reed Paper company—"have completed a $35 million container board plant for Mississauga." I've no objection in the world to Mississauga. It's a lovely community, an excellent place, but one really has to ask oneself, how come the north gets the resource-based jobs and the south gets the manufacturing jobs? Those are the questions which my colleagues in northern Ontario are forever asking. How come we can't put a container board plant in northern Ontario to build an economic infra-structure in that part of the province? How come we take our ores and refine them abroad How is it that there are six jobs in the pulp and paper industry elsewhere in the province for every four in northern Ontario?

[4:00]

Those are the imbalances which the Reed Paper scheme serves to reinforce rather than to alter. For that reason, as well as a hundred others, we're not going to support that scheme. We're going to put this proposition up and down Ontario and we are going to chronicle what is involved.

On the pulp and paper pollution alone—I can't make this strong enough—we would not have contemplated negotiation with the Reed Paper company. Can anyone imagine it? Everybody on the government side of the House seems to think it's quite normal and common.

The government lays 10 charges against the company. It's one of only two companies which have violated ministerial orders. It has the single worst pollution record in the depositing of organic materials; it has dumped mercury sediment into the English-Wabigoon river system and the government is going to negotiate with it for 19,000 square miles of northwestern Ontario at precisely the same moment all of this is occurring.

Nuts, Mr. Speaker. It doesn't make sense and we're going to try to persuade Ontario that it doesn't make sense. I judge, from what I've been able to pick up out there in the hinterland of Ontario, that the people of Ontario agree with that and think the government is wrong, dead wrong.

The last point I want to make—I don't know what happens when one gets into these things; I tend to become far too wordy —the last area I wanted to get into was the creation of jobs. I wanted to make reference to this because I'm hoping that another couple of my colleagues, if they're able to speak later in the budget debate, will itemize it.

We are totally dissatisfied with the job picture in Ontario and with the pathetic intervention on the part of the provincial Treasurer last year in granting this sales tax rebate on the purchase of machinery and equipment to the corporate sector.

One gets a little tired of the hymns of praise to the glory of free enterprise and one gets a little weary of the constant adoration of the private sector. The reality is that in September, 1976, in Ontario there were 202,000 people actually unemployed. In October, 1976, there were 223,000 people unemployed and that remains almost identical to what it was one year ago.

There is no job-creating programme in this province worthy of the name. We would have taken that $160 million which is being given to the private sector and we would have ploughed it into the provision of housing, at the very least at prices people could afford, creating jobs in the construction centre where the need is greatest.

It's a very simple equation. We achieve two social goals simultaneously and that would have made a lot more sense than what we're doing with the money.

May I point out to you, Mr. Speaker, that it seems to be a fixation on the part of government—an idée fixe on the part of government—that everything it does it does for the private sector and it debunks the public sector in the process.

I wanted to deal with occupational health but I'm going to leave it for the Workmen's Compensation Board appearance before the resources or other committee and, therefore, let me sum up this way. Our feelings toward the Conservatives as a government in Ontario haven't changed in any way; nor do I think and nor do we think that the Tories should be sustained in office by our party under any circumstances when they're clearly in default.

They are clearly in default in all of the matters we have tried to enumerate during the course of this budget debate and, if I may say so, in particular the matters I have enumerated today: The question of agricultural land, the question of the Reed Paper Company, the question of rent control and rent administration, the question of the creation of jobs.

So strongly did we feel about this that we wanted to cast it in the context of nonconfidence. We didn't particularly want to clutter up the process around here by introducing further motions, so we thought we

would do something which is admittedly unorthodox but which is clearly legitimate under the rules of the Legislature. We moved an amendment to the budget address—my colleague the member for Beaches-Woodbine (Ms. Bryden), I guess, moved an amendment to the budget address when it first came in. The assumption is then that the Liberal Party along the way would move a subamendment. They've chosen not to move a subamendment for whatever reason.

Mr. Breithaupt: The same reasons you didn't move one last time.

Mr. Lewis: They've chosen not to move a subamendment. No, it's rather different. I think this year it would have been quite appropriate and we would have encouraged you to do so. On the other hand, maybe there were a whole range of legitimate arguments.

Mr. Breithaupt: Possibly.

Mr. Lewis: But, there occurs this phenomenon of a remaining subamendment which the New Democratic Party can therefore legitimately put. So we're going to alter our original budget amendment, making it much more a matter of non-confidence, making quite clear those issues on which we would be happy to meet the government at any time—I want to make that clear, Mr. Speaker, at any time—on the hustings; the issues which my colleague, the member for Beaches-Woodbine set out and the issues which I affirm today.

Mr. Lewis moved that the motion that this House approve in general the budgetary policy of the government be further amended by adding the following words:

"And further, that this government has failed to respond adequately to:

1. The administrative problems which have undermined the tenants' accessibility to and confidence in the rent control procedures and to recognize by legislative action the need to ensure protection against unfair rent increases after July 1977.

2. The need for the early implementation of policies to designate prime agricultural food lands throughout Ontario.

3. The obvious need to develop manpower programmes, job retraining programmes and job creation programmes.

4. The neglect of adequate management of our forest resources, which neglect should clearly mean the abandonment of the proposed Reed Paper transaction; and that, therefore, this government does not enjoy the confidence of this House."

Mr. B. Newman: I rise to take part in the budget debate, a vehicle through which one can bring up various problems that are either province-wide or relate solely to one's municipality.

The new format makes it extremely difficult for one to raise a lot of the issues that I will raise this afternoon, because one cannot be in a committee and in the House both, or sometimes three places at the same time. As a result when you can't present a suggestion in the committee, then this is practically the only avenue by which one can present that suggestion.

The first topic I wish to bring to the attention of the House is one concerning the inequities as far as the grant structure is concerned involving my own municipality. One of the things that really struck me as being strange is that time and time again the officials from my community have met with the ministry here, have pointed out the errors in their calculations and the fact that there are inequities, and yet at no time has the government attempted to eliminate the inequities. If there is something wrong, I think it should be corrected and if we cannot correct it in one fashion, we can correct it in another. I hope, during the course of my remarks, that I will give the government a way by which it can correct the inequities as far as the grants coming to the city of Windsor are concerned.

It was on May 15, 1975, that the city of Windsor presented a position paper to the hon. Treasurer of this province, in which it pointed out—and quite clearly pointed out—that Windsor was not getting the grants to which it was entitled when one compared that community with other communities of approximately its size as well as those substantially smaller.

On June 6, 1975, a communication was directed to the hon. Treasurer which said, and I'm quoting one sentence from it, "It was further agreed that your department"—referring to the Ministry of Treasury, Economics and Intergovernmental Affairs—"would review the formula in question." That referred to the grant equalization formula. That letter was sent by the mayor of the city of Windsor, as I mentioned earlier, on June 6.

On June 13 of that same year, the minister did mention the following, and I'm reading from his letter of June 13: "Your Worship: In your letter of June 6 you suggest that we agreed to have TEIGA undertake a review

of the formula for the resource equalization grant because of possible inequities. However, as you will recall, we both recognized that the formula, as such, is eminently equitable but that conceivably the equalization factor for Windsor could be out of line with the rest of the province."

That is the area on which the community raises its greatest concern—that the equalization factor is out of line wih the rest of the province.

On June 23, a communication was also directed to the Minister of Revenue (Mr. Meen) asking that he meet with the officials of the city and discuss the equalization factor so that the problem could be resolved. At the same time, a 13-point position paper was submitted to the cabinet on behalf of the community, listing 13 areas in which there could be some mutual discussion between the ministry and the officials from the city in an attempt to resolve the long-standing problem.

When I mention inequities, I do this because I recall last week listening to a television programme in my hotel room, in which the present mayor of the city of London mentioned the city of Windsor and the fact that London did receive and continued to receive favourable treatment in comparison to the city of Windsor. Here we have the mayor of the city of London, actually admitting there was favouritism shown to that community. It's not that we think there should be any reduction in the consideration given to London but that Windsor should receive the same type of consideration.

Mr. Peterson: Good representation.

Mr. B. Newman: She did make mention in her comments that all the inequities started when the city had representation in the cabinet from four sitting members in the area. There was the mayor of a community pointing out on public television that there was injustice. We in the city of Windsor would like that injustice to be corrected.

[4:15]

On January 21, this year, a reply was sent by the provincial Treasurer to the community in which he made comment concerning the 13 points raised by the officials of the city of Windsor. The officials had a chance to peruse the comments. However, they were never given the opportunity to directly involve themselves in consultation with the officials of the ministry to point out where they were in error. They did make the following comment in a letter addressed to the provincial Treasurer on March 22: "Some members of the local chamber of commerce who represent a cross-section of the businessmen in the community feel that your government has not concerned yourselves with these inequities."'

So we can see that the letter from the commissioner of finance on March 22 certainly indicated that the inequities were not being looked at by the provincial Treasurer.

On March 1, 1976, a communication prepared by the commissioner of finance for the city did answer each of the suggestions and arguments presented by the provincial Treasurer, and he makes one significant comment under point four, in which he says: "We admit that the Treasurer did advise us in 1975 the guarantee was only for one year, but it still does not alleviate the fact that our grants from the province have been reduced even though we have maintained our expenditure growth to a level equal or less than what they were recommending for 1976."

So we can see that the community did try to live up to all of the agreements but still were not treated fairly. On March 30 the minister replied to the city in a communication that I don't intend to read, for the sake of time, but I will bring to your attention, Mr. Speaker, that the city still maintains, as it has always maintained right from the beginning, that it has not been treated fairly.

I think the only way to resolve the problem would be for the TEIGA officials and the officials from the community, from my community, to get together and hammer out each one of the points under discussion and resolve the problem once and for all. The officials of the city of Windsor certainly have no difficulty pointing out to the ministry the inequities that do exist and that should be remedied as quickly as possible.

One of the other inequities that exists in the community is grants as far as provision for sewage treatment facilities. The city of Windsor did build facilities that could accommodate the surrounding municipalities. They didn't have to do that, but for the sake of saving money to the surrounding municipalities and to the province, they, as good citizens, went right ahead and did that. Had they not, then the province of Ontario would have had to provide substantial funds to the surrounding areas to provide their own sewage treatment facilities.

What the city was doing was actually acting as a regional form of government in providing sewage treatment facilities, yet the provincial Treasurer doesn't look upon the fact that the city of Windsor saved the province substantial amounts of money in doing just exactly what it did. The least the province could have done was to make available to them the same amount of grants as are provided to regional governments in other parts of the province, even though Windsor may not have a regional government setup.

If the province treats the city in the future the way it has in the past, we can rest assured there will be no request on the part of anyone around the Essex county area that would be in the least interested in regional government.

The comments I have to make now are going to be quite detailed and I hope for the sake of the Hansard reporters they would take the sheet that I have so that the figures could be fairly accurately reported. I am reading from a brief presented to the provincial Treasurer some time before June 22. It's addressed to Hon. W. Darcy McKeough, Treasurer of Ontario:

"In reviewing your 1976 budget, we must say that generally we concur with your efforts at restraint. We have also completed our 1976 budget and are pleased to say that we are again able to follow the pattern set in the past few years in keeping our increases to a minimum. Our goal for this year's budget was to stay within the AIB guidelines. This was accomplished in spite of the fact that the resources equalization grant and the general support grant were reduced by $492,000 and that the cost of OHIP increased by $170,000. Services have been cut back to the bare minimum.

"The education mill rate has increased by 40.5 per cent for public school supporters (36.81 per cent for separate). The total mill rate therefore increased by 20.89 per cent for public school supporters (19.07 per cent for separate).

"Unconditional grants. While reviewing your publication, 1976 Ontario Assistance to Local Governments, we noted the following estimated grants"—and I am going to read them in four categories. I will read the municipality first; the 1976 unconditional grant; the population on which the 1976 grants are based, and the unconditional grants per capita. I will read right across so that Hansard will be able to pick this up later from the sheet that I will provide them. We are comparing nine municipalities:

	Unconditional grants	Population	Unconditional grants per capita
London	11,121,000	243,416	$45.69
St. Catharines	5,492,000	120,398	$45.62
Oshawa	4,585,000	102,876	$44.57
Hamilton	12,544,000	311,886	$40.22
Kitchener	5,122,000	130,228	$39.33
Metro Toronto	79,842,000	2,153,381	$37.08
Ottawa	9,523,000	300,065	$31.74
Windsor	5,776,000	198,569	$29.09
Mississauga	6,775,000	234,975	$28.83

Mr. Speaker, you can see that by just comparing the nine municipalities, the city of Windsor stood eighth as far as the unconditional grants were concerned, yet population-wise it was either fourth or fifth. A city comparable to it received almost twice the amount of unconditional grants—absolutely unfair.

Continuing from the brief—this, as I said earlier, was addressed to Hon. Darcy McKeough: "You have stated previously that the main purpose of the resource equalization grant was to assist less wealthy municipalities. We cannot accept that Windsor is so much 'wealthier' than London, St. Catharines, Oshawa, and so forth. Since 1973 when the property tax stabilization grants were introduced, the city of London has received $15,981,192 more in grants than Windsor. The difference in the resource grant for 1976 amounts to $4,709,930. Based on our 1976 mill rate, we need $48,900,000 more in commercial and industrial assessment to equal the extra grant received by London. It is obvious to us that the equalization factor used in calculating the resource grant is out of line for Windsor.

"We understand that to adjust Windsor's equalization factor would probably cause complaints for other municipalities. We also understand that you have market value assessment figures available for all municipalities. We, therefore, recommend that the province in conjunction with the municipalities immediately calculate the grants based on market value assessment to determine the effect on the grants. We are certain that this exercise will prove that our equalization factor is grossly incorrect."

Continuing from the brief, the next item they discuss is regional sewer grants. "We must again request that the city of Windsor be eligible for the regional grants for sewer purposes in connection with the expansion of the West Windsor pollution control plant. As

you are aware, the townships of Sandwich West and Sandwich South will be connecting to our treatment plant. Sandwich West area comprises some 6,000 acres with a proposed future population of at least 20,000 people. A study performed in 1972 indicated that it would cost approximately $2.4 million to construct a separate sewage facility for the township. Today's prices would cost $3.3 million. The Ministry of the Environment would have to construct this plant for the township.

"Windsor, in allowing the neighbouring townships to share in our plants, has ensured that unnecessary plants were not constructed and thus saved money for the townships and the province. You have previously suggested that if Windsor is not fully recovering its costs then we should renegotiate the agreements. The fact is that we are recovering our costs, but neither the city nor the townships, having acted in a prudent and responsible manner, obtain any benefits that are given to other taxpayers merely based on the type of government they happened to have forced upon them by the province.

"It is, therefore, recommended that:

"1. The province, in conjunction with the municipalities, immediately calculate the unconditional grants based on market value assessment.

"2. The city of Windsor be declared eligible for the regional sewer grant for the expansion of the West Windsor pollution control plant."

The least the government could do is provide to the community some type of grant that would correct the errors of their calculations in the past, so that Windsor would be on the same footing as other municipalities in the province and that we be treated just as fairly as are the others. The postponement of any implementation of market value assessment without action by the government really perpetuates the injustice and the inequality that has been imposed upon my community. A grant in lieu of these inequalities would be able to resolve the problem.

The second topic I wish to discuss is election expenses. We now do have legislation that governs federal elections and provincial elections. It is about time we take the third level of government out of the closet and put it right on the table as are the other two levels, so that we have some type of legislation that will provide control and some guidelines concerning election expenses of individuals running for a municipal office.

[4:30]

Back on November 8—and that is quite recently—the Toronto Star carried this editorial headed: "Who Gives Aldermen Election Money?"

"There's nothing to prevent a candidate for municipal office in the December 6 elections from accepting a large cash donation from someone who later will ask a favour in return. Worse, the voters would never know about it.

"There are still no rules setting limits on campaign contributions or requiring that the sources of funds be revealed.

"North York council may do something about the absence of election laws by asking all candidates to sign a statement promising to reveal the sources of their funds after the election. It almost certainly won't work because the borough has no authority to force anyone to sign. Nor can it take any action against candidates who do sign but fail to honour their promise later.

"North York already has a policy calling on all candidates to reveal their financing sources. But last election Controller William Sutherland, Alderman Betty Sutherland and Alderman Paul Valenti ignored it altogether and another three or four aldermen complied only partially.

"Controller Alex McGivern doesn't want to sign, saying it should be left to the candidate to decide who he takes money from because the public is not interested. In the next breath, though, he inadvertently provided the very reason the public is interested: 'Some of us are honest, some of us are dishonest,' he said.

"Etobicoke, Scarborough, York and East York have no policy at all. Toronto has a new policy for the coming election but it calls on candidates to reveal only their total amount of funds, not the names of contributors.

"It's time Queen's Park disciplined municipal elections by regulations with teeth in them. On their own as they are now, municipal candidates are easy targets for anyone who might want to ensure a sympathetic ear by donating needed funds.

"Both federal and provincial candidates have to disclose all campaign contributions over $100. There are also limits on how much a single contributor can donate.

"Queen's Park should have had a law ready for this year's municipal elections. It has been aware of the need for some time and has no justifiable excuse for its failure to act.

"The next municipal elections will be in 1978. By that time the provincial Legislature

will be duty-bound to have come up with legislation on the disclosure of campaign funds and limits on the size of individual donations.

"At the same time, both Queen's Park and Ottawa could help municipal candidates raise campaign funds by making available the same tax deductions for municipal campaign donations as are already available for dontions to federal and provincial candidates."

My community was a little more concerned than simply talking about it. In fact, on September 27, 1976, they adopted the following resolution:

"Whereas the federal and provincial governments have recognized the wisdom of encouraging a broad base for the funding of election campaigns and have implemented measures which (1) place upper limits on donations to campaigns, (2) provide for independent auditing of the financing of campaigns, (3) provide for the publication of financial aspects of election campaigns, (4) provide contributors to election campaigns with tax credits based on the contributions; "And, whereas municipal election campaigns in larger cities can be very costly to the candidates involved, thus discouraging less affluent candidates; "And, whereas and particulary the availability of tax credits to contributors to federal and provincial campaigns but not to municipal campaigns tends to make fund raising even more difficult at the municipal level with the result that municipal campaigns are further downgraded at a time when public interest in municipal campaigns is already low, "Therefore, be it resolved that the Ontario provincial government be petitioned to enact legislation to provide for: (1) limits on the size of donations from a single source, (2) independent verification and publication of the finances of campaigns, and, (3) tax credits to contributors for municipal election campaigns in the province of Ontario, at least in the large urban areas.

"Be it further resolved that the federal government be petitioned to co-operate with the provincial government in this task, with particular reference to the granting of tax credits at the federal level and that copies of this resolution be forwarded to all Members of Parliament."

Mr. Speaker, you can see that my community is concerned with this and, I would say, many other communities, as are many members in the House. There is an action that has to be taken and should be taken so that by the next general election, coming in 1978, some type of legislation providing for limits and controls as well as tax credits should be actually in place.

Another item I wish to raise while I have the opportunity concerns the general elections in the various municipalities. One of the constituents of mine who has been long a studier of municipal politics brought up a novel suggestion which sort of appealed to me, and I would like to bring it to the attention of the House. The name of the individual is James Holden, a well-known barrister and solicitor in my own community. Just as we elect a mayor in a community, the mayoralty being a full time job, he suggests the chairman of the public utilities commission be likewise an elective office. He suggests a person run for the position of chairman of the utilities so that he can devote full time to being the chairman for the two-year period, just exactly as the mayor runs.

He also suggests that in the school board elections the chairman of the school board be elected as chairman and that it be a full-time job for that individual for the two-year term. Naturally, the amount of indemnity paid to the indivdual would have to be commensurate with the responsibilities that he does assume. I think it does make sense. Rather than having the commissioners themselves select who is to be their chairman, and rather than having board members select who they would prefer to see as chairman of the board of education, both separate and public, both county and otherwise, those individuals should run for those public offices.

I know there is one drawback, and that is the financial drawback, because the individual would have to run over a fairly large area and, as a result, it is extremely expensive for the individual to run. But we do that in the mayoralty. I can see some merit in applying exactly that same principle when it comes to utilities commissions and also to boards of education.

The next topic I wish to raise is concerning the price of gas. I'm referring to gas used for home heating purposes. It struck me as very strange that, of all the municipalities in the province of Ontario—and practically everyone is affected in some fashion—only two cities in Ontario are willing to fight Union Gas in its request for added price increases to the consumer. The two cities happen to be the great city of Kitchener and the other great city in the province of Ontario, Windsor. You would think other municipalities would like to fight for their constitutents so that the price of an absolute essential, that is, home-heating gas, be kept in line, especially when it comes to the fact that all have to use it.

Senior citizens who are living on a very fixed income now find themselves at a financial disadvantage because the price of gas has increased, not just to a minor degree but extremely substantially. In fact, in some instances it has more than doubled. For example, a constituent of mine wrote to me just last week. He makes mention: "I am a pensioner and I am not going to plead poverty, but considering that my monthly budget started at $12 and is now increased from $21 to $25, how much can one endure?" He's talking solely about his bills for natural gas for home heating and cooking.

It must also be realized that all natural-gas consumer supplies will increase the prices of goods and services. The gas is not only affecting him simply from the fact that he has to heat his own home, but goods and services are going up. The individual on a fixed income is very adversely affected by the substantial increase in the price of home heating gas. I'm kind of disappointed that municipalities other than the cities of Windsor and Kitchener wouldn't attempt to band together to fight the suggested increases that Union Gas wishes to impose.

From what I understand the increases are going not only for salary increases to the employees but also to the executives who, in my estimation, are paid substantially well. I may be wrong but I don't think I am.

The city of Windsor has a professor by the name of Professor Ted Manzig who's going to handle the city's argument against this increase requested by Union Gas. I understand the hearings are going to last approximately 90 days and they are proceeding, if I'm not mistaken, at the present time.

I would hope that other municipalities could see the light of day exactly as my municipality has and join in an attempt to allow the individual on fixed income, plus the individual on old age security, and the low wage earner some type of relief from the ever-increasing cost of home heating and cooking with gas.

One of the states in the United States, if I'm not mistaken, provides a certificate to those on limited incomes and fixed incomes. They provide them with $75 worth of certificates for $25 and these certificates are to be used solely for paying utilities' bills. I think it's the type of suggestion that possibly the Minister of Community and Social Services (Mr. Taylor) should be looking into in an attempt to alleviate the adverse effects of increases in the costs of home heating, home cooking and other utility needs of those on fixed and limited incomes.

I wanted to mention a suggestion I can recall making in the first year I sat in the House, I think it was. It was that we should be looking at a baby bonus in reverse. When I say baby bonus in reverse I mean when the children take care of their parents rather than placing them in nursing homes. Maybe it should be a grandfather or grandmother bonus.

Hon. B. Stephenson: I suggested this last year.

Mr. B. Newman: Was it last year? That's good. I'm glad to see you're reading my 1960 Hansards. Thank you. That's very nice coming from the Minister of Labour. I hope she can convince her cabinet colleagues that this should be looked into. It would actually be saving us money in the province of Ontario.

Hon. B. Stephenson: Okay.

Mr. B. Newman: There should be some kind of financial assistance to sons and daughters or relatives who take care of their grandparents or great-grandparents in some cases rather than provide nursing home care or other type of domiciliary care for the individual. It would be by far cheaper.

By providing this assistance to the children they could, in many instances, build an extra room or so at the back of their homes. That room could be the same type of unit as many citizens live in now in senior citizens high-rises or in the row housing provided in some communities.

I know in my community, less than half a mile from where I live, there is a series of approximately 20 apartments which are like motels. There is the kitchen, the bathroom, the living-dining room and, in some instances, two bedrooms rather than one.

[4:45]

In this way, if the government allowed the children to put this on the back of their home and assisted them in some manner financially to take care of their parents, we would be saving substantial amounts of money, rather than putting our elderly into nursing-home care or putting them even into some senior citizens high-rise. I find that when we start putting all people of the same age category or the elderly in the one unit, there do develop certain types of problems that would not develop if those adults were living with their children.

It will not hold true in all cases but for those children who would be willing to take over and take care of their own parents, I

think we should look into a pilot project, setting up something so we could maybe look this way and eventually eliminate the building of large senior citizens complexes. We'll always need some, but instead of the proliferation of senior citizens high-rises, we could be accommodating these people quite often with their own families.

There are a lot of senior citizens who can't afford the accommodation. They can't afford the upkeep and can't take care of the accommodation in which they live. I think that by putting them with their children, we might be able to resolve some of the problems. We won't resolve all problems because we know ourselves that some children just don't care for their parents at all once they reach a certain age or even before they reach that certain age. But for those children who would like to be taking care of their parents in this fashion but financially may not be able to do that, there is another way we could look upon this problem and hope to resolve it.

The Central Mortgage and Housing Corporation report states that by far the majority of the poor elderly citizens are happy with their present homes but can't afford to live in them. If those homes were made available to their children and they had some facilities at the back of the home so that they could have at least privacy, because they may not want to be too closely associated with their own children in some fashion, we could have a partial answer to the high cost of housing, to the high cost of nursing home care and to the high cost of taking care of those who have made a real substantial contribution to society, those who have generally gone through two or three world wars, have gone through two depressions, who are too often neglected in society by those who should have taken care of them more tenderly than they have in the past and than they are continuing to take care of them today.

A novel arrangement is being tried out in the state of New York to provide for senior citizens who live in their own homes but are financially pinched for taking care of the homes. The home may be worth a substantial amount of money. They don't want to go into senior citizens' accommodation and they'd like to maintain the home in which they happen to live. They've been in there for years and years and they like the environment, but they financially can't afford to be living there. There is an agreement being made or a plan being devised where a company—it could be a provincial company and it could be a public company—sort of buys the home from the people, paying them a monthly payment as long as they wish that payment to be made. That payment is sort of a lien against the property so that after they pass away or when they decide that they no longer want the home, that company or the state has built an equity in that home and simply has to make that balance of payment.

In the meantime, you have increased the quality of life of the individual by keeping him in an environment in which he has lived for years and in which he is satisfied, you've provided him with a little financial resources to be able to live a little better and you have resolved the problem of building additional accommodations for senior citizens or those on fixed incomes.

I would like to bring to the attention of the House also the handicapped. The Provincial Secretary for Social Development (Mrs. Birch) has received the first annual report of the Ontario Advisory Council on the Physically Handicapped. The report is a very substantial one and contains a lot of good suggestions. I know the provincial secretary will not let this report lie idle; I certainly hope she will implement the report, or portions of it, as quickly as possible. I noted, though, that the report made mention of the select committee on the utilization of schools, where we made mention of the accessibility of the handicapped to schools. I think the recommendations presented by the advisory council are worthy of implementation as quickly as possible.

In the report there is also mention of accessibility of the handicapped to voting facilities. I hope the ministry and the government doesn't take too long in implementing drive-in voting. There is no reason why a handicapped person couldn't be driven by car to a location in the community where the polling could take place; the box would be brought to the person, who would drop the ballot in the box, rather than a handicapped individual having to struggle in a wheelchair or with crutches or with the assistance of others to go inside to vote.

My community is reasonable enough that they recommend the handicapped should vote in the advance poll. In this way they would vote at the city hall where everything is on the ground level. The city itself has actually put up a ramp so that there is a ramp facility for those who are in a wheelchair or those who are handicapped, and they don't have to climb any stairs. I think it's a progressive outlook by my community, and I hope that it will be adopted by others.

I also hope that the handicapped will be handicapped only with their present physical or mental handicap. One wishes they didn't have those handicaps at all, but we shouldn't give them additional handicaps, especially when it comes to the right to vote, by making the voting place inaccessible. I think that can be resolved quite easily, and I hope the government will look at it and will implement the suggestions that have been made—not only those made by myself, but by many other members in this House as well as those who do suffer from handicaps.

Even senior citizens both in their monthly newsletter and in the presentation of their brief to the government of Ontario, have recommended that the right to vote for those who are handicapped be looked into so that the individual with the handicap is not handicapped when it comes to casting a ballot.

During the question period at one time, I can recall raising the issue of accidents on an amusement ride in Bob-Lo, being an island just across from the home of the great member for Essex South (Mr. Mancini), the pride and joy of the town of Amhertsburg.

Mr. Haggerty: Don't overdo it.

Mr. B. Newman: The island is a Canadian island, except it is leased by others; and there is an amusement park on the island. There happened to have been an accident on one of the rides. When it comes to an elevator, every single elvator in a hotel has a little tag or a licence stating that the elevator has been inspected. It is a people mover. Amusement rides are people movers too. They move people around—in a circle, up and down—they spin them around; you name it, they move them in every fashion you could think of.

One would think the least the Ministry of Consumer and Commercial Relations would do would be to require every single people-moving piece of equipment to have a fitness certificate visible to those who are purchasing tickets on those rides. I think it should be a must.

We shouldn't have to ask the minister to come along and follow up on a thing like this. I would think that he himself would automatically be concerned about the safety of our younger people, because it is essentially the younger set who go on these amusement rides—not that the rest of us in this Legislature haven't at some time or other in our present years enjoyed the sensation that accompanies one being spun around in a fashion or turned upside down on one of these amusement rides.

I questioned the minister, as I say, concerning safety in relation to the Bob-Lo Island Park. Unfortunately, there weren't just one or two accidents; there was a series of accidents in the park. Although Bob-Lo Island is a Canadian island, the amusement rides there conform to the Michigan Carnival Ride Safety Code. But no one enforces that code. One would think that that island, a Canadian island, would come under the jurisdiction of the Minister of Consumer and Commercial Relations and that he would require the inspection.

When I brought the accident to his attention and I asked him concerning the ride, he said—and I am quoting from a letter of June 24:

"I had this accident investigated by the technical standards division of my ministry and I am informed that the two employees of the ride owner were injured when they were thrown from the roller coaster during a test run of the equipment."

I asked him for a copy of that investigation report, but I have never been able to get a copy of that. I can only assume that his officials did not investigate the accident because if they had investigated the accident there would have been a report. He could have provided it to me, and I would have been satisfied that the equipment was in good shape. But I wouldn't be satisfied with the fact that there is not some type of sticker or some indication that the ride had been inspected by either his ministry or someone else and that it was found to be safe.

On motion by Mr. B. Newman, the debate was adjourned.

PRIVATE MEMBERS' HOUR:

LEGISLATIVE ASSEMBLY AMENDMENT ACT

Mr. Williams moved second reading of Bill 72, An Act to amend The Legislative Assembly Act.

Mr. Williams: Mr. Speaker, the bill that I place before the Legislature this afternoon for consideration is An Act to amend The Legislative Assembly Act. The purpose of the amending legislation is as stated in the explanatory note, which states that the enactment would require a person who holds office as a member of a council of a municipality and whose term of office is not yet three-quarters expired to resign his office on official nomination day if he wishes to be elected to the assembly.

[5:00]

Mr. Haggerty: He wants two worlds.

Mr. Williams: I would hasten to point out that the explanatory note perhaps is misleading in that it is not complete, because it not only relates to members of an elected council but also to members of local boards as defined in The Municipal Affairs Act. As you well know, Mr. Speaker, this covers a broad spectrum of people involved in serving the public in elective offices because, under The Municipal Affairs Act, "local board" means a school board, public utilities commissions, transportation commission, public library board, board of park management, local boards of health, boards of commissioners of police, planning boards or any other boards, commissions or committees under the jurisdiction of the local council. I wanted to make that point quite clear—that it covers not only members elected to a municipal council but those also who have been elected to positions on local boards.

I think it is understandable and in fact commonplace that elected officials sitting on municipal councils and on local boards are quite often sought out by political parties at the provincial level to run at the time of a provincial election. In fact, quite often the sitting members of the municipal councils or boards will themselves take the initiative and seek the opportunity to have the nomination for a particular riding on behalf of a political party in a provincial election.

It's quite understandable of course, because these are people who by the very nature of their background have gained experience in and understanding of dealing with the public —of serving in the public place, if you will— working with the civil service and with the public at large in solving public issues. It is only appropriate, therefore, that people with this type of experience and background should be sought out or should themselves seek to put this talent and experience to service in a similar setting at the provincial level.

Up until the 1950s I guess, this did not create any great problem because up until then, as we all know, municipal elections were held on an annual basis. So regardless of what period of time during the tenure of office of the sitting municipal member it would not be too long before the term of office to which he or she was elected would have expired in any event.

However the problem has now become much more difficult and complex since there has come into existence the two-year term of council. In fact, for some short period of time up until very recently, there was even a three-year term on council.

There we have, I suggest to you, a very different situation. If a member sitting on council very early in his term of office chooses to seek election to a higher elective office in a provincial election, that is one thing. But if it should be near the expiry of his term, then I think the public would view this decision in an entirely different light.

It may well appear, I might suggest as a side note, that we may return to the three-year term if the report to come down from Mr. Robarts on the review of Metropolitan Toronto government makes such a suggestion. I wouldn't be surprised if indeed that was the case, because I have found from personal experience, as have many others who have served on larger urban municipal councils, that the complexity and size of those municipalities and the responsibilities upon them are such that long-term planning cannot really be accomplished without a longer term of council.

But in any event, whether we remain with the two-year term or go back to a selective three-year term, in either setting it is obvious that in the public's mind the timing of the announced departure of a sitting municipal member for the purpose of running in a provincial election is all-important. I suggest there can be public acceptance or lack of public acceptance, depending on when that announcement is made.

It is quite apparent that the public does resent a candidate running in a provincial election when that person has recently been out garnering its support, asking the voters to elect him to an office at the municipal level, suggesting to them he is the best qualified person who can look after their interests for a specific term over the next two-year period, and that for the reasons he gives in his platform he is deserving of their support at the polls on municipal election day. For that person then to turn around immediately after, having asked for that support, to look in other directions and make himself available to serve in the public sector I think causes a great deal of resentment in the public's mind.

Added to that resentment is the fact that in making that move, should the candidate be successful in being elected to the Legislature, then, of course, the taxpayers find they have to pay directly the cost of that transfer in mid-stream if I might use the term. They have to pay the cost of a by-election to have elected municipal represen-

tatives to replace the one who may have been successfully elected to a higher office.

So these are two very valid and understandable reasons why the public would resent it if a member, sitting on a municipal council or board, made that move particularly early in his term of office.

If I might, Mr. Speaker, I will turn to the most recent provincial election by way of illustration. Before coming to that, however, I might suggest that some candidates use the excuse, or apply the argument, that the only reason they have decided to run after being elected to municipal office is that they didn't realize either that there was an election coming up at the provincial level, or that they would be asked to run as a candidate in the election. I suggest these are arguments that cannot be sustained or justify that candidate's reason for abandoning his responsibilities as an elected municipal representative.

In any event I will, if I might, come to the most recent provincial election to best illustrate the point. If I might be specific, I will relate this to the riding of Oriole, as a Metropolitan Toronto riding located totally within the borough of North York. I'll address myself to what happened in the elections in northern regions of this metropolis as they related to two members of the North York council. I refer specifically to Mayor Mel Lastman and Controller Barbara Greene.

As you may well recall, at that time, Mr. Speaker, the ink on the municipal ballots was barely dry when it was announced by both of these individuals that they were flirting with the idea of renouncing their municipal responsibilities that they had so recently assumed, for the express purpose of becoming candidates in the provincial election. In fact it was within a matter of weeks after they took office in 1974 that they made the official announcement that they were renouncing their municipal responsibilities to undertake the task of running in the provincial election and hopefully becoming members of this Legislature.

I think the public is astute enough to understand political opportunism. But, at the same time, I think the public resents political opportunism if it is going to be directly at public expense. As I indicated a few moments ago, in this type of situation, had members of that council been elected to the provincial Legislature, then, of course, it would have been necessary, at the public expense, to call by-elections in the borough of North York, which had so recently completed going through the election process.

From talking to people from all walks of life throughout the area that I've had experience with, it has become apparent to me that not only is timing most essential and important if there is to be public acceptance of this type of move during one's term of office, but that the resentment that is there in the public's mind because of this change of heart and because of the fact that it will be put to the expense of new elections, is the added insult to injury of the candidate, if unsuccessful, still having his or her cake and eating it too, because the job that he or she so recently was prepared to abandon is sitting there waiting for him or her to return, should they be unsuccessful at the provincial polls.

It was not only in the borough of North York that this happened in the last election, but in fact I believe there were seven other candidates who ran, who at that time were sitting members of municipal councils throughout various sections of this province—Sudbury, Cambridge, Hamilton, Kitchener, Whitby. In fact, it's interesting to note that I think my remarks are borne out as to what the public attitude is in that situation, because without exception all nine of those candidates were very significantly beaten at the polls on election day.

The only exception in that whole setting, in fact, was that one of the candidates, Mr. Newman, who had been mayor of the town of Whitby, saw fit to resign his position before obtaining the nomination and running in the provincial riding in that area. But even having made that decision, it appears that the public was not prepared to accept that change of interest so soon after the municipal election, although I would concede that in that case there may have been local issues that worked against the candidate at that particular time.

In any event, I think the illustrations I have cited could not better indicate the reason and need for this type of legislation, because I think it would make sitting members of councils or boards think twice, and perhaps three or four times, before deciding to renounce that which they have asked the electorate to support them on, which is to give them the opportunity to represent them as their municipal representatives.

So it would give people in that position extra cause for thought and consideration before hastily, and perhaps without due reflection, jumping into that type of situation where obviously political opportunism is rampant.

It is with this consideration in mind that the bill has been put forward to provide that if the person, while a sitting member of a municipal council, has not completed the majority of his or her term of council—and I suggest in the bill it be three-quarters of the term of council, looking at the present two-year system—that person should have to resign the post at the time he or she is given the official nomination to run as a candidate for a particular party.

[5:15]

The reason I have arbitrarily suggested the three-quarter mark in the two-year term is that it would appear inappropriate to necessitate the candidate's resignation when there is somewhat less than six months left to go in the term of the municipal office. It would be inappropriate to necessitate the municipality, again at public expense, to call a by-election. I think the candidate, if unsuccessful, should be allowed to finish off the balance of that term, which would be not more than six months and in fact would bring him within two months of the next set of municipal elections.

If the candidate was successful within the last quarter of the term, of course, a period of two or three months from the time of the nomination when the person resigned to the time that the official election of that candidate was published in the Ontario Gazette would have passed by. Again, we would be very close to the time of another municipal election, so that the people who thought they were without a municipal representative in their ward, or a controller, or a mayor, I think would find that the short time period within which there is a hiatus or lack of representation would be so short as to not create serious problems.

But beyond that quarter period, the six months' period, I suggest difficulties would arise and it would be necessary to embark upon a new by-election to elect those people who have left the municipal scene for service at the provincial level, if they have been successful at the provincial election.

I have outlined the reasons for the amendment—the justification of the amendment, as I see it—and in conclusion I would say that I believe this to be a good bill, and one that I suggest should be adopted unanimously by this Legislature, if for no other reason than to give the voting public one less reason for being cynical of politicians.

Mr. Davidson: Point of privilege, Mr. Speaker.

Mr. Speaker: Point of privilege.

Mr. Davidson: During the course of his remarks, the member for Oriole referred to Cambridge as being one of the municipalities in which a sitting member of the municipal council had sought office as a representative of this House. I would just like to inform the member that that is not true and it may be that he wasn't aware of that. The former mayor of the community sought office, but she was not a sitting member of council at the time.

Mr. Williams: Mr. Speaker, I stand corrected. I was simply going on the basis of a newspaper account that I have before me of the situation.

Mr. Swart: I have to say quite frankly that I'm amazed that this bill has been brought forward apparently with the support of the Conservative caucus. I suggest that to debate this, when there is a private member's bill on that side of the House which would designate agricultural land and retain it for agricultural use, shows that there is either a horrible distortion of priorities or there's a real evasion of the issues of substance by the members on that side of the House. I say that this bill serves no useful purpose—and I think perhaps that's an understatement. I know I speak for my party and I believe I speak for the great majority of the people of this province—and certainly the majority of members of councils in opposing this particular bill.

As the hon. member for Oriole has said, the bill provides that a member automatically will have resigned if he is three-quarters of the way through his term of office when he has been nominated as a candidate to the provincial Legislature. But let me just look at the procedures that this will set in motion. If he is an alderman, a councillor or a school board member, the council may appoint someone from outside at some period of time—there is no time limit on this—and they may, in fact, wait until the election is over and reappoint that same person to the council. Of course, if they don't like that person, they can immediately appoint someone else from the outside to fill his or her term of office.

If he is a mayor, a reeve, a deputy reeve or a controller, then he can't be reappointed. The Act provides they shall appoint a member of council to fill that particular position; if he has resigned, he is no longer a member of council and that mayor or senior person on council or on the board is then out of office for the remainder of the term.

The facts are, of course, that when a member is appointed to fill the mayor's position, we'll say, there is generally public sympathy to give him at least the second term; and the

person who had served before, and perhaps has served well, is out of public office for many years.

From the candidates' point of view, I suggest that this is a real deterrent to a higher elected office, especially if they hold senior positions on the council. If they have proved, by being elected to the senior positions that they have the support of the public, then it acts more as a deterrent for them to want to serve in another position because they know that probably they will be out of that particular office for a long period of time. I suggest that this is a disadvantage. This doesn't promote democracy; nor does it enhance democracy. It deters the whole democratic process if we persuade those people by legislation that they shouldn't run for a higher office. Also, it may mean a re-election if the council decides to call an election to fill an office; and it means additional money to that candidate who has to run.

From the public's point of view—and I think this is perhaps more important than the candidates' point of view—it unnecessarily removes a candidate who has been elected by them. I think the arguments which have been put forward by the member for Oriole, if anything, are really in opposition to the principle of the bill which he proposes. They simply mean that some of the candidates who have been elected will be put out of office and will not be able to continue to serve even in the office to which they were elected.

It doesn't really stop members from running for higher office. It may deter some of them, but it won't stop the majority from running for higher office. What it means is that those who are defeated, but had been elected to the lower office perhaps by a very high majority, will not be able to continue to serve out their terms. As a result we are going to lose those people. We're not saving them by this method; we're going to lose them from the public service.

It may move someone into a very senior position whom the public doesn't want. The council will have to decide who it is going to appoint as mayor. The public won't be able to select that person. Even if the mayor is defeated in the provincial election for which he runs, then another person will have to be appointed mayor, not elected by the people but appointed, and it may be someone they wouldn't select as their mayor. Once again, the bill is inhibiting the true democratic process. Further if the council decides to hold elections it may cost a considerable amount of money to the taxpayers of that municipality.

I suggest there are some specific examples which show how impractical this proposal is. I'd use my own example. I was on municipal council for 21 years. On five occasions, three of them as head of my municipality, I would have been removed from council by this bill. The member for Oriole may think that would be good and there might be some others on his side who would agree with him.

Mr. Warner: The people of Thorold would not.

Mr. Angus: It's a plot against the member.

Hon. B. Stephenson: A great thing for the municipality. The milk of human kindness doesn't run in your veins.

Mr. Swart: I also want to point out, so that there can be no doubt about this, that my example in the last election perhaps is the best example. Three members of regional council ran for election in the Welland riding —it was Welland riding at that time, not Welland-Thorold. I was a member of regional council. The Liberal candidate, Lola Lemelin, was a member of regional council for the city of Welland; I represented Thorold; and the mayor of Welland, who was also on regional council, ran as the candidate for the Conservative Party.

The regional council member for Welland would now not be in office and wouldn't have been able to continue in office. The mayor of Welland would not have been able to have continued in office for the past 15 months.

The member for Oriole may or may not know the mayor of Welland. He might like to have him removed as the mayor of Welland, but I wouldn't. I would suggest that he does a commendable job as mayor of Welland. The people put him there and I think he had the right to continue in office. He had the right, if he so wished, to run for a higher office and he had the right to continue in the office to which he was elected if he did not make that higher office. I would suggest to the member for Oriole that he should talk to the mayor of Welland, to tell him and tell the people of Welland that they really have had no right during the last 15 months to have him as the mayor of Welland.

I know that this Legislature a number of years ago passed a bill, largely for the purpose of disciplining one of their own members —which prohibited a member, after being elected to the legislative assembly, from carrying on in municipal government. I'm referring to a government member. Many members may not know that he is even in this House; he is the former mayor of St. Catharines who now sits as a back-bencher.

But that is a very different situation. They are elected to a higher office. There can then be conflicts of interest between the two offices; therefore, there's justification for only holding the one office. But here, this bill is saying that that man should not be able to continue to serve any office if he is not elected to the higher office.

Mr. Speaker, the other member from our party who is speaking is not going to take quite the 10 minutes. I will wind up in just a moment.

Mr. Speaker: That aside, the member's time has expired.

Mr. Swart: Let me conclude in two sentences.

Mr. Mancini: Have him sit down, Mr. Speaker.

Mr. Swart: The member is trying to take a democratic right away from the voters. If a person wants to run for higher office and is successful, the voters accept his resignation. But he wants to tell the voters that if he's not successful they can no longer have him, that they may have to accept someone in his place whom they've decidedly rejected.

Mr. Speaker: Thank you. I think the hon. member will have to finish.

Mr. Swart: By this bill, he is not benefiting candidates and he is not benefiting the public. Somehow or other, I say it's just self-serving some eccentricity—

Mr. Mancini: You are self-serving.

Mr. Givens: I thoroughly agree with the member for Oriole and I thoroughly disagree with the member for Welland-Thorold on this bill.

Hon. B. Stephenson: Good for you.

Mr. Givens: I speak very feelingly about this subject because of my experience of 25 years in political life.

Mr. Angus: They were over when you got here.

[5:30]

Mr. Givens: I guess I'm the only Canadian today who has been the mayor of a big city and who has served at every level of government—municipal, metro, federal and provincial. I have done so without using any political office as a springboard, or using the salary of any political office for the purposes of a springboard, to elevate myself to higher office. Indeed, when I sought a seat in this Legislature when I was a member of the federal House of Commons I resigned my seat in the federal House of Commons—and it was a relatively secure seat in York West—for the purpose of seeking election in this provincial Legislature.

Mr. Swart: You may get another member over there yet.

Mr. Givens: I believe the electoral process should be open to all, that it should be fair to all, that nobody should enjoy a special advantage in seeking office and that nobody should suffer disadvantages and the rules of fair play should apply, like in sports, for instance. But in politics we permit certain people to get away with terribly unfair advantages.

I say that when a person holds municipal political office in any municipality, he has committed himself to a contract for two years. For the people who are running for municipal office now, they know in running for political office now that they're committing themselves to a trust, to a contract for two years.

You don't have to be a brilliant political scientist to figure out that within the next two years—probably next spring or next fall—there will be a provincial election. Those who are running for municipal office now know that there will be a provincial election and those of them who are thinking in terms of running for provincial office are scheming now, with malice aforethought, to use their municipal office and their municipal salaries as a springboard to get into this provincial Legislature. I say that that is wrong. It is a breach of trust.

This inspires cynicism in the minds of the electorate. It is a breach of trust for them to seek municipal office if they intend to run next spring for this provincial Legislature. It is a misappropriation of public funds to use $25,000 or $30,000 salaries for the purpose of seeking office next spring to run for this provincial Legislature. I say it is absolutely wrong for them to do so when they know that there will be a provincial election.

If they want to seek provincial office, let them stay out of the running in the municipal election, seeking public favour now and public votes, telling people they will serve them municipally to lower the tax rate and do this and that and the other thing, to seek political office now municipally and then to let these people down drastically in a very shamefaced way next spring or next fall by

running for provincial office. I say it is wrong to do so, it is a breach of faith, and it is a misappropriation of funds and it's unfair competition.

Mr. Angus: That's what it is.

Mr. Givens: Now there is nothing to stop the mayor of North York or the mayor of any borough from running for provincial office. He can either refrain from running as mayor now or he can do so six months from now, but on the day he's nominated for public office he should be man enough or woman enough to resign and put his head on the block and say, "I am resigning because I believe I can be of greater service provincially. I have had a revelation from heaven; I believe I'm being called to a higher duty. I'm prepared to offer myself to the public for higher duty on this basis and I seek an out from the contract I have made with you where I have pledged my troth to the public to serve you municipally and I'm now seeking your vote to be elected to the legislative assembly of the province of Ontario."

Look at the position that he or she is in —the one who is getting himself a $30,000 or $35,000 salary while being the mayor of a borough and serving on Metro at the same time. He's not running in his spare time; this is a full-time job now. It's a "Heads I win, tails you lose" proposition. If he wins, he gets elected here; if he loses, he retains his job.

When the member for Welland-Thorold says, "Ah, but you will retain his miraculous and wonderful and marvellous services as a politician as the mayor of Welland or the mayor of Timbuktu," I tell you, by this time he has besmirched himself and he has sullied his robes of office because he has shown that he has a split personality—I question his loyalty to serve his municipality thereafter, because he has shown that he really doesn't want to serve the public in that capacity and that he has cheated the people he promised to represent by being elected to the municipal office, because he intends to run out on them at the first opportunity that he gets at he next provincial election, and I say that is wrong.

Consequently, when people say to me, "You will never get anybody to run. You'll never get these prize prima donnas from municipal councils to run for public office, for higher office," I say, "You will never get an outsider to run. You'll never get anybody to compete with these people, to compete with them when they sit in public municipal office being paid these salaries and using these as a springboard for the purpose of running for provincial office." I think it's highly unfair for me to have been in the position that I was in, to have to run against the mayor of the borough of North York, against his salary and his position the last time the way I did.

All right, I beat him, but that's irrelevant and immaterial. I say it's against public policy for a person to be in that position and if he wants to run for public office and he wants to improve himself or he wants to elevate himself from the position he's in, I say fine. Let him do so. There's nothing that detracts from his position of eminence as a politician and as a public figure, but when the nomination day rolls around two weeks before the election, let him divest himself of that grandeur; but above all let him divest himself of the raiments of office and of the magnificent salary that he gets and put himself down to the position of the ordinary mortal candidate like everybody else is when he runs for public office, and let it be a fair and even-Steven race—

Mr. Angus: That's what it is.

Mr. Givens: —with nobody having any advantage over anybody else. This is why I support the principle of Bill 72. As far as the second part of Bill 72 is concerned, I was under the understanding that we had passed an amendment here—and hon. members may remind me—about 1½ years ago where we agreed that any municipal person who runs for public office and gets elected has to resign his municipal office whether he's on three-quarters of a term or not. So actually, in a sense, I think this second part, with great respect, is irrelevant at this time.

Mr. Angus: Irrespective too.

Mr. Givens: I support this bill because I agree with the hon. member for Oriole that this breeds cynicism on the part of the electorate because the electorate sits back and says, "You see this guy, he's been conning me all along. He didn't mean to serve me as a municipal representative. He didn't have my best interests at heart. He didn't mean what he said when he made all these promises and he sent out that fancy literature promising me he was going to look after my tax rates and my curbs and my potholes, he was promoting himself and his own best interests. He was a climber, and he was climbing on my back. I say that is wrong in principle and it should be prohibited by law.

Mr. Drea: Mr. Speaker, I rise in support of this bill. I think the previous speaker has outlined a great many of the reasons and I don't intend to repeat them. I think, incidentally, that he understates some of the things that are being done to the voter by the municipal incumbent who decides that he is going to increase his aldermanic or his other pays and move up a step. The most important political office in this province, when it comes to its impact upon people, is at the municipal level. There is very little we can do, or our federal counterparts can do, in terms of legislation or regulation that will really compare in any degree to what can be accomplished with a single stroke of the pen by a local councillor, because after all at that stage votes are decided on the hands in the air or upon the ayes and the nays. They are not decided upon political party standings.

Many a fine neighbourhood in this province, in communities large and small, has been ruined by the inattention or the deliberate design of certain municipal councils. Today, as never before, people are taking a look at the candidates offering themselves for municipal office. In previous years they concentrated their attention upon those seeking office to the federal House or to the provincial assembly.

Now is not the time to allow municipal councils to be occupied by gadflies, promoters and those who quite frankly are using their municipal office to attract attention and then immediately leaping into the provincial fray, because indeed it is a "Heads I win, tails you lose" proposition, because at the municipal council, whether he or she is the mayor or on the board of control or right on down, and on the school board and on all the rest of the local boards, the public utilities commission, the planning board, all these are included in the scope of this Act, and when they decide to seek office it's a nice easy run, because if they don't win they continue on with their salary. Nothing ventured, nothing gained. If they win, the municipality is put to two tests, both of them expensive and time consuming: One, they can appoint; or two they have to have a by-election, and by-elections cost a great deal of money.

Mr. Swart: You are going to force them out of office and have a by-election.

Mr. Drea: They don't have much interest in the office, my friend, because they stand up and say: "Notwithstanding the fact that I have been elected; that I stood on a platform and I said I will be here for two years." The first time a money proposition comes along: "Oh boy, here I go." If that's the kind of municipal councillor you want, then the municipality is better off without he or she and so is the province of Ontario.

Mr. Swart: Do you look on your job here as a money proposition?

Mr. Drea: When you talk about a municipal councillor being removed or being prevented from holding office by the principle of this bill, nobody drafts you to run for office. They don't come down and put a number on you. You made your own decision. Besides, if you are competent and you win you are out, you have to quit. Incidentally, the legislation was not over the former mayor of St. Catharines. The legislation was done in my time in this Legislature. It was about three years ago and it specifically talked about aldermen, school board people, et cetera.

It was designed to do one thing. It was to prevent people from holding dual office in the most interlocking of all political structures in this country, because the municipality is the creature of the province and here was a person acting on behalf of the municipality this day and being part of the decision making process at the higher level the next. It was felt that the time had come when the voter was entitled to a clear, concise and definitive statement of intention.

Mr. Swart: This forces them to hold no office.

Mr. Drea: Nobody is forcing anybody to do anything in this. While there may be people in this assembly who have over the years obtained their campaign funds and their public attention and notoriety from serving in municipal causes, while taking a great number of flyers, I suggest that as a municipal voter I am not at all interested in a municipal candidate who lies to me, who stands up on a platform and says "Elect me, here is my platform." I don't care whether he is running for the separate school board, the public utilities commission, the public school board, for aldermen, for controller, for mayor. Implicit in his or her campaign is, "If elected, I will serve." I have never met a candidate yet who stood on a platform and said; "I am doing it as a joke. Elect me and I will never show up." He obviously is not elected.

[5:45]

The point is they are soliciting votes from the public under false pretences. If it was a businessman we would put the businessman in jail. If it was a labour union we would decertify the labour union on the basis of the representations that were made. In fact, if it

was a banker who did this we would probably put him in jail. And yet we allow a municipal candidate to stand there and to lie to the voter—to say, "Elect me, here is what I am going to do," and then, two or three months later, "I have the call, I can do it all in Queen's Park." The only reason they can do it all in Queen's Park is the salary is better in most cases and it is a four-year term. That is why they want to do it better.

Mr. Swart: That is your attitude.

Mr. Speaker: Order, please. The hon. member had his turn to speak.

Mr. Drea: As a man who has had the longest losing streak in Canadian politics until he suddenly got lucky, I don't think I would point at me.

Interjections.

Mr. Drea: Throw yourself out.

There is a fundamental issue here. You are either going to have honesty and integrity in political life—and that means that even if you want to lie on the platform, there are going to be strictures against you coming out with the culmination of that lie.

This bill wouldn't preclude anyone from running for public office. All it would say is, "You must make a full and a frank disclosure. You must resign. You go into it on the basis of equal opportunities." I would oppose the principle of this bill if it said "from the date that one announces." It doesn't even go that far. It says from nomination day. In the case of the provincial election that is a very small amount of time.

Mr. Givens: Two weeks.

Mr. Drea: That is all it is. I don't think it should inhibit a person who is on a municipal council who does receive the call. I don't think it should inhibit them at all. If they feel so deeply and they have received such a magnificent and such a clear call from somewhere, from below or from within or from above, then surely they are prepared to shed, perhaps not the most important commodity, their blood, but their pocket book, on behalf of such an imminent challenge.

I suggest to you Mr. Speaker, that all that is left in municipalities unless this is done are losers. If they win they are out. They have to resign before they can come in here and be sworn in. I suggest that where people are elected to these offices and then immediately cast their ambitions around for something else that will relieve them from their obligation does indeed only produce more cynicism at the level of politics where more honesty is really the only answer to the apathy that will affect us all a week from today.

Mr. Angus: I have been very interested in the remarks that have been made by the Conservative members of this House and the Liberal member, and I must say that the remarks astound me.

Mr. Speaker: May I just point out before the hon. member starts that there is an indication of another member wishing to speak. You are entitled to 10 minutes, but if you wish to divide it I am sure it will be appreciated.

Mr. Angus: Thank you, Mr. Speaker, I will try to do my best. If you could give me a nod or two at five minutes I may hit the timing.

One of the things that bothers me about this bill is the fact that we have so many excellent people on our municipal councils, school boards—what have you—all across the province of Ontario who are there, not for money, because God knows they don't make too much doing those responsibilities. Some of the boards don't pay anything, let alone the meager $6,000 salary the councillors of the city of Thunder Bay get, for instance.

I think the suggestion that has been made in this House that some of the individuals there are just there for the money is irresponsible, and it's a slap at every municipal councillor in this province. I think they deserve an apology for that. In terms of the ability of these people—that, again, they're just there for the money—I'll grant you that there are councillors and there are councillors. Some are better than others, some are worse than others. I think, with all due respect, the same can be applied to this House here. The same can be applied to every Legislature in Canada and the federal House; we are all different, we're different human beings.

An alderman does not control when this House decides to call an election. Some of us aren't too sure who does control that. They are prepared to give a commitment to their municipality, they're prepared to go for two years if that be the term. But let me suggest to the members here that there are a lot of other things that they should take into consideration.

The majority of aldermen in this province are working people, whether it be in a profession or a union or what have you, and

they don't necessarily control their work situation. Possibly because of job transfer they're required to resign mid-term. Things are not static. It's not a contract that says you must be a member of this city council from January 1, 1977, to December 31, 1979. It doesn't work that way.

Comment has been made about the unfair competition given over by a sitting member of a council. Let me say one thing, the two individuals that I ran against in the last provincial election—and I should point out that I was a municipal employee on a leave of absence at the time—one was an alderman and the other was a sitting member. We can say all sorts of other things, but the fact is that I'm here and neither of them is and that says a certain fact about the competition.

Mr. Hodgson: It will be a short stay.

Mr. Angus: Time will tell; time will tell. The reality is that people look at the individual and, sure enough, a lot of individuals' names are more in the public attention than other ones. I wouldn't believe what the member for Armourdale was saying, because I heard about him in the papers in Thunder Bay long before I became involved in politics. He was a name, and if he thinks that didn't help him get elected to this House or to council or to the federal House, then he'd better rethink his position, because that's not the way it happens. When one has a name, people recognize him. It's up to the opposition individual, whoever one is running against, to prove that one is a better person. I think discriminating against sitting council members, or board members or what have you, is unfair and it is discriminatory.

As for the comment—and I'll do this very quickly—regarding cynicism, let me say every voter in Ontario knows a con job, more so at the municipal level than at the provincial level. They can see through the antics of some of the municipal politicians who may be a little bit more hungry for other sorts of things, but they can see it and the votes don't necessarily transfer from municipal to provincial to federal, what have you.

I would just like to point out that outside of the Metro area the majority of councillors, in fact, even some of the mayors, are part time. We don't have high salaries out there, we don't have the people who are doing it full-time, even though a lot of them would like to do it and do a good job at it.

If I may conclude, I am against this bill. In fact, it reminds me of the fight we've been pushing, to provide employees in any field, even insurance agencies, have the right to leave of absence so they could not only run but they could be elected to the provincial House or to the federal House, so they have some job security and at such time as they may be defeated or retired, they have an occupation to go back to. I compare this to that request of ours. I would just like to reiterate that, like my colleague, I am against this bill and I would hope—well, I know it won't come to a vote, so I don't have to worry.

Mr. Stong: During the last provincial election, my Conservative opponent was a very popular mayor of one of the towns in my riding. After the election, the paper in that riding wrote an editorial indicating that Queen's Park's loss was the town of Markham's gain and sang his praises. Despite the very eloquent and very compelling arguments used by the member for Armourdale, I have one very great concern arising out of this proposed legislation; that is that we as members at Queen's Park may be perceived as passing legislation protecting our own self-interest or protecting an incumbent against competition.

At a time when we are over-regulated, this further attempt could be seen to be restricting the democratic process, taking away from the electorate and from the mind of the people and determining the mind of the people by legislation. If the candidate is good and has proven himself at one level of government, why should he be legislated out of existence for candidacy at another level?

We must never overlook the sophistication and the intelligence of the electorate. In the post-Watergate era, we are just beginning to feel the effect of the lessons learned in that episode. The electorate is extremely demanding of its representatives, and so it should be. Our constituents also demand absolute honesty and integrity, and they deserve no less.

Watergate has applied once and for all to politics an old legal maxim which would read: "Not only must a politician be beyond reproach, but he must appear to be beyond reproach." Opportunism, in any individual, can in some circumstances be one of those reproachable instances. The informed electorate will tell such a person at the appropriate time, such as December 6, whether he or she is simply an opportunist seeking merely personal gratification or whether such

a person is a good person with the best interest of the people at heart.

Let us not insult the intelligence of the electorate, no matter what our own personal motivations may be. In fact, the municipally-proven candidate may be best suited for the job in the assembly, and if not his constituents will tell him so at the appropriate time.

Mr. Speaker: This order is discharged from the order paper.

Hon. Mr. Welch: Before moving the adjournment of the House, may I remind the members that tomorrow we will turn to the second order and consider in committee of the whole House Bills 149, 150, 151, 152 and 153. Following that we will go into committee of supply to consider supplementary estimates in the order agreed upon by the critics.

On motion by Hon. Mr. Welch, the House adjourned at 6 p.m.

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Bernier, Hon. L.; Minister of Natural Resources (Kenora PC)
Birch, Hon. M.; Provincial Secretary for Social Development (Scarborough East PC)
Breithaupt, J. R. (Kitchener L)
Cunningham, E. (Wentworth North L)
Davidson, M. (Cambridge NDP)
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Third Session of the 30th Parliament

Tuesday, November 30, 1976

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

TUESDAY, NOVEMBER 30, 1976

The House met at 2 p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

Hon. J. R. Smith: Mr. Speaker—

Mr. Conway: Stand up, John.

Mr. Speaker: All right. We'll hear the Minister of Correctional Services. Thank you.

Mr. Conway: Stand up.

Hon. Mr. Rhodes: He is going to stay seated, he is tired of standing up.

Mr. Conway: Stand up.

Hon. Mr. Rhodes: One thing about it, he's able to stand up anyway.

Hon. J. R. Smith: Put on your glasses.

DEATHS OF MINISTRY WARDS

Hon. J. R. Smith: Mr. Speaker, I'm replying to two questions from the hon. member for Peterborough (Ms. Sandeman), one of which appears as question 173 on the order paper and the other was a verbal question asked in this House on November 29.

There were no deaths of wards occurring in a training school during the two fiscal years. All these young people were resident in the community and many of them on placement in their own homes at the time of their deaths.

On the average, these young people had been living in the community for approximately 17 months prior to their deaths, with one youth having been on placement in his own home for a 4½-year period prior to his death.

During the fiscal year ending March 31, 1975, a total of 10 wards—nine boys and one girl—died while on placement in the community in their own homes, foster homes, or under other living arrangements. One of the wards was 14, seven were 16, and two were 17 years old.

The 10 deaths included four auto accidents, a shooting accident, three suicides, one drowning and one drug overdose.

Mr. Lewis: Three suicides?

Hon. J. R. Smith: In all cases the coroner investigated the circumstances of these deaths to determine whether an inquest should be held. In one case, an inquest was mandatory because the suicide occurred in a police cell and an inquest was conducted.

The following is a brief summary drawn from our files and the coroner's investigation statements:

Four of the 16-year-olds died in auto accidents. One of these youths had been placed in his own home four years prior to his death. Another of the youths killed in an auto accident had been living in the community for approximately a year prior to his death. The third 16-year-old died as a result of injuries when the car he was driving spun out of control. He had been living in his own home for three months prior to his death. The other victim of injuries in an automobile accident had been living in his own home for nine months prior to his death.

One 17-year-old was killed in a shooting accident in British Columbia where he was visiting friends. He had been on placement to relatives for one year prior to the accident.

A 14-year-old died from suicide by asphyxiation and hanging in his parents' home where he had been on placement for approximately one year.

A 16-year-old youth died of a self-inflicted gunshot wound to the head which occurred after consuming alcohol in his parents' home where he had been placed six months previously.

A 16-year-old boy died of asphyxiation after hanging himself in a police cell. This youth had been placed in his own home 20 months prior to his death. He had appeared before the adult courts on charges of theft and possession of drugs and this resulted in his arrest and detention in the police cell.

The ninth was a 17-year-old girl who drowned when she and other passengers were leaping back and forth between two moving boats. She had been residing in the community for 3½ years, initially in a foster home and for the last two years in her own home.

The tenth was a 16-year-old boy who was found dead in his family's apartment as the result of a drug overdose. He had been residing at home for one year prior to his death.

POINT OF ORDER

Mr. Singer: Mr. Speaker, on a point of order. A few days ago you asked my colleague, the member for Ottawa East, to withdraw certain remarks that he had made. He refused and you subsequently named him and he was compelled to leave the House.

Subsequent to that, I asked you to explain, if you would, the implications of certain of our standing orders. The subsequent day—and I believe that was last Friday—you did.

I am a little puzzled by the way these matters are applied, because when I was here yesterday I heard certain remarks made by the Premier, and I have since consulted Hansard, and the Premier is quoted as having said in the House, addressed to the hon. Leader of the Opposition: "And it is totally irresponsible of you, misleading to the House and to the public, to create any other impression."

I would like, if I could, to understand the difference in the comments made by my colleague from Ottawa East and those made by the Premier, and why there wasn't—as would appear to me logical—a similar ruling directed to the Premier when he made his remarks yesterday?

Mr. Speaker: I must say to the hon. member that I did not notice that, I'm sorry.

Mr. Bain: I did.

Mr. Speaker: Order, please. A point of order must be raised at the time. I will study the situation, however, and if it requires further comment I will certainly make it.

POINT OF PRIVILEGE

Hon. Mrs. Birch: On a point of personal privilege, Mr. Speaker, yesterday the member for Peterborough asked me whether last summer the staff of the Ministry of Correctional Services had told me of the deaths of nine children who were wards of the ministry. I responded, quite correctly, the staff had not told me of the deaths at that time and I referred subsequent questions from the member to the Minister of Correctional Services.

Today's Toronto Star has an article noting that the Peterborough member was upset that I wasn't aware of the deaths. I would like to correct that mistaken impression because I was made aware of the deaths by my colleague, the Minister of Correctional Services, some time this fall. I've forgotten the exact date. As I told the Legislature yesterday, the staff did not raise the matter during any of my visits to the provincial institutions.

DEATHS OF MINISTRY WARDS

Hon. J. R. Smith: Does the hon. member wish me to read the statement as well for the second year's deaths? It is lengthy.

Mr. Lewis: Go ahead.

Hon. J. R. Smith: This is April 1, 1975, to March 31, 1976. During the fiscal year ending March 31, 1976, a total of nine wards of the ministry died while residing in the community, in their homes, foster homes or under other arrangements. The nine wards whose deaths were recorded during this year were all boys. One of them was a 15-year-old, three were 16 years of age, and five were 17 years old.

The nine deaths include two drownings, one homicide, two automobile accidents, two cases of asphyxia, one train accident, and one boy hanged himself on his parents' farm. In all cases the coroner investigated the circumstances of these deaths to determine whether an inquest should be held. In one case an inquest was conducted. The following is a summary of the tragic deaths:

One 16-year-old boy drowned when he fell from a canoe shortly after midnight while he and several other youths had gone to a provincial park camping area to disturb campers. This youth had been on placement to his own home for nine months prior to his death.

A 17-year-old youth, who had been back in his own parents' home on placement for four and a half years, drowned while on a camping trip with his father.

A 17-year-old youth was found dead of a gunshot wound to his head and this was deemed a homicide by the investigating police. This youth was self-supporting and employed and had been living in the community for 10 months prior to his death.

A 16-year-old youth died as a result of injuries sustained in an automobile accident. He had been a passenger in the car. He had been placed in his own home approximately one year and three months prior to his death.

The other death in an automobile accident occurred when a 17-year-old ward who was the driver of the car fell asleep at the wheel and the automobile struck a rock cliff, killing him and a passenger in the car. This youth

had been living in the community for six months prior to the automobile accident.

One 17-year-old youth died of accidental asphyxia through a combination of intoxication and sniffing of a substance approximately one year after being returned to the community.

A 15-year-old youth came to his death due to the aspiration of vomit brought about by an overdose of the drug methaqualone and alcohol. This youth had been returned to his own home nine months prior to his death.

A 16-year-old youth was hit by a train and died three months later of injuries which he sustained. He had been charged in adult court and remanded to the House of Concord from which he went AWOL at the time of his accident.

The last one was a 17-year-old youth who hanged himself in a barn on the family farm. He had been returned to his own home over two and a half years prior to his death.

OHTB BUS LICENCE

Hon. Mr. Snow: Today I would like to table three certificates of necessity and convenience issued by the Ontario Highway Transport Board pertaining to the board's carefully-considered decision to grant operating rights over the Toronto-Sudbury, Toronto-Orillia and Toronto-Buffalo bus routes and an extraprovincial operating licence to permit direct service between Toronto and the provinces of Manitoba, Saskatchewan, Alberta and British Columbia. Included with the certificates will be the carefully thought-out and documented reasons why the members of the board reached the decision they did.

[2:15]

Briefly, the OHTB has certified that in the public's best interests Stock Brothers Bus Lines of Markham be granted a licence for the carriage of passengers, their baggage and express shipments between Orillia, Barrie and Metro Toronto and vice versa, provided there is no pickup or discharge of passengers between the southerly limits of Barrie and Metro. In short, it will be an express run between Barrie and Toronto.

The second certificate permits Eastern Canadian Greyhound Lines to operate an express run between Metro Toronto and the Niagara frontier crossing points, such points being the Queenston-Lewiston Bridge, the Rainbow Bridge at Niagara Falls and the Fort Erie Bridge. These trips are not to exceed five daily in the summer or four per day in the winter. At the same time, Greyhound must continue current pool operations with Gray Coach Lines.

The final certificates permit Greyhound of Canada to carry passengers, their baggage and express freight between Sudbury and Toronto, provided there is no pickup or discharge of passengers between Metro Toronto and the southerly limits of the regional municipality of Sudbury and vice versa, plus the extraprovincial rights mentioned previously.

As I noted, under chairman E. J. Shoniker the board reached its decision after a lengthy hearing which included the testimony of some 70 public witnesses. Mr. Shoniker and his board members were realistically aware that Gray Coach Lines, one of the province's major interurban carriers, operates similar services over the same routes. I said "similar" because I believe that's an honest definition. For example, Gray Coach does not offer a direct run other than its ultra-special hostess express service between Sudbury and Metro Toronto. Passengers in-bound from west of Sudbury are currently forced to change at Sudbury and that means changing their baggage as well. On this matter, Mr. Shoniker himself noted that, despite the fact that Gray Coach has been aware of Eastern Greyhound's application since November, 1975, it did not initiate a direct regular-charge Toronto-to-Sudbury operation.

Allow me to quote briefly from the testimony of some of the 70 public witnesses who commented under oath during the time of the applications for the certificates. The majority, regular users of buses as a mode of travel, expressed concern over problems resulting from being forced to change buses; problems resulting from multiple stops; and problems resulting from a lack of frequent service in sparsely populated areas where the public, particularly the elderly, have to travel to other communities for medical services.

One witness, Mrs. Annette Moore, spoke of the inconvenience of mothers travelling with children, then being forced to handle their own luggage from one bus to another. An elderly gentleman complained bitterly of having to get off one bus and stand in line with new passengers to get a seat for the remainder of his trip. One woman, Mrs. Mary Rickaby, was told by counsel for Gray Coach that if she didn't like the delays in bus transit and the problems inherent in changing buses, then she should fly to her destination. The good lady replied: "I cannot afford to fly."

Mr. Nixon: You would almost think he worked for the government.

Hon. Mr. Rhodes: Otto Lang's department.

Hon. Mr. Snow: There are others—the inconvenience of being forced to make trips at only Gray Coach's convenience and tales of lost luggage and the uncertainty of arrival times at the Niagara frontier because of lengthy intermediate stops.

Basically the board feels that, on the evidence presented, the public's interest should come first, and that good competition can underline and reinforce this opinion. I agree wholeheartedly. The board, again on the evidence, recognized too that there are serious deficiencies in the current service offered on the routes. It also found that Gray Coach Lines has not been fully aware of the unsatisfactory conditions arising from the transfer of passengers and their luggage at the terminal points in question.

Finally, I can tell this House that I have thoroughly and in good conscience reviewed the reasons for the board's decision and I am, therefore, approving all three certificates as they were recommended by the Ontario Highway Transport Board.

Mr. Speaker: Oral questions.

DEATHS OF MINISTRY WARDS

Mr. Lewis: First, to the Minister of Correctional Services: Can he indicate to the Legislature the nature of the supervisory aftercare follow-up provided by his ministry in terms of the 19 individual cases which he recited to the House where death occurred outside the training schools but still within the wardship of the Ministry of Correctional Services?

Hon. J. R. Smith: Our ministry is having an increasing emphasis on aftercare for all juveniles under our care. In fact, some of the schools, particularly Kawartha Lakes School in Lindsay, have a prime worker programme where a prime worker is associated with a student and goes out into the community to help him. It varies in the community where the child is residing. If an aftercare worker feels there is a problem, it might well be three or four times a week or it could be on a daily basis. If the youngsters are placed in their home and reasonably satisfactory progress seems to be being made, there wouldn't be that intense a follow-up.

I would just like to say to the Leader of the Opposition some of these deaths occurred many months, in fact, some of them years after a child was in the training school. But there is a very intensive aftercare follow-up in trying to have the youngster adjust either in his home setting or a community environment.

Mr. Lewis: May I ask by way of supplementary, admitting the passage of time, if I am right in believing that these children were still formally wards of the ministry, has it occurred to the minister to ask for a pattern of follow-up in each individual case? Would it be possible for him to share with the Legislature the nature of the ministry's intervention subsequent to departure from training school?

Hon. J. R. Smith: I know all members must be very grieved to know of this. It was discussed during the estimates of my ministry last year. I am grieved too to think that these occurrences have taken place. It will take a great deal of research and field work with the regional offices but I will be only too pleased to supply the hon. members with that information.

Mrs. Campbell: Supplementary: Would the minister include in his report to the House in each of these cases the caseload of the after-care officers?

Hon. J. R. Smith: I would be pleased to.

OHTB BUS LICENCE

Mr. Lewis: I have a question of the Minister of Transportation and Communications about his statement today: If I can be permitted to understand one part of it, was Gray Coach ever requested to provide specific services which are now going to be provided by Greyhound in the absence of this particular Gray Coach route?

Hon. Mr. Snow: To my knowledge, there was no request from my office for them to make any adjustment to their service. I don't know whether there was any request from the general public for an improvement in service or a through service, or from the municipalities in northwestern Ontario.

Certainly from the telegrams I have received, many of which I read into the record yesterday, there was a great deal of support for this approved service from almost every municipality along the North Shore. In fact, I have more today that I could read but I will not take the time of the House. The mayor of Sault Ste. Marie, for instance, and the reeve of the township of Marathon have

sent rather lengthy telegrams to me in support of the granting of the service.

Mr. Lewis: Supplementary: Since Gray Coach is such an excellent public carrier, why would it not occur to the government to attempt to extend its activities into other areas of the province? Speaking directly to the minister's answer, now that he has telegrams from groups like local 113 of the ATU, representing nearly 7,000 people—

Mr. Breithaupt: You are suddenly involved now.

Mr. Lewis: —in this municipal area, and since it is clear that upwards of 240 jobs may be lost by virtue of the transfer, why is the minister not prepared to meet with those who wish to make specific representations to oppose what the board has required?

Hon. Mr. Snow: I presume the Leader of the Opposition is referring to a telegram—

Mr. Breithaupt: Yes, why don't you read that one?

Hon. Mr. Snow: I just got it yesterday afternoon, as a matter of fact.

Mr. Lewis: Read it now.

Hon. Mr. Snow: It's from Mr. Moynehan—

Mr. Speaker: Order, please.

Hon. Mr. Snow: It actually was a telegram—

Mr. Breithaupt: It is one Greyhound didn't pay for, I presume.

Hon. Mr. Snow: It is a telegram that I believe was sent to the Premier, not to myself—

Mr. Lewis: No, it was addressed to you as of yesterday.

Hon. Mr. Snow: It may have been, but it was requesting a meeting. As I recall the telegram—I do not have it with me—it was not in opposition but was requesting a meeting to discuss the matter.

Mr. Lewis: On a point of order. It didn't say, "We oppose." But it did say "we want to meet with you to explain the disastrous results of such licence being issued"; which could be construed as opposition, I'd say.

Mr. Breithaupt: Perhaps just a social call.

Hon. Mr. Snow: Yes, I accept that fact. But it is my advice from my legal counsel, and it is my own personal opinion, that neither I nor members of the executive council should meet with parties to this dispute. There is a regular manner in which they can make an objection by way of an appeal to the Lieutenant Governor in Council. I do not think it would be appropriate for myself, the Premier or other members of the cabinet to have specific meetings with individual parties to the case.

Mr. Breithaupt: It is nice to see the NDP involved, now that local 113 is showing some interest.

Some hon. members: Oh, oh.

Mr. Breithaupt: Perhaps the minister could advise us, as a result of these telegrams and the proposed meeting, particularly with local 113, on what basis the minister has to declare that there will be no loss of jobs to Ontario residents, when local 113 particularly has some 10 per cent of its 6,800 workers employed with Gray Coach and will be obviously affected by this decision?

Hon. Mr. Snow: As I mentioned yesterday, the routes involved, according to the chairman's written decision—and I would suggest that the members who are very interested in this should read the full written decisions of Mr. Shoniker—the decision states that no more than four per cent of the passenger volume of Gray Coach Lines carried on the Sudbury to Toronto route—the figure I am quoting is from that particular decision —would be affected.

Mr. Moynehan has sent a telegram expressing concern regarding his members. It is my opinion that there will be additional employment created by this additional service, rather than a decrease in employment. Certainly that was the opinion of the several other locals of the Amalgamated Transit Union from Windsor, Thunder Bay, Sudbury and I believe other points. I do not have those telegrams with me.

Mr. Deans: Since I didn't know what the telegram said last Friday when I first raised the matter, I would assume the member for Kitchener would have been aware of that if he were here.

Hon. Mr. Snow: Neither did I.

Mr. Breithaupt: You assumed wrongly.

[Failure of sound system.]

Mr. Speaker: Order, please. Will the hon. member repeat his question?

Mr. Wildman: Do it by Morse code.

Interjections.

Mr. Speaker: Shall we try it again? Order, please. I am sure the hon. minister will be able to hear. If we have fewer interjections, the hon. minister may be able to hear anyway.

An hon. member: He'll never understand you.

An hon. member: It's most important that the cameras are still on.

Mr. Shore: They are trying to tell you something, Ian.

Mr. Roy: You are beautiful, Ian.

Interjections.

Mr. Speaker: I can hear the hon. member. Perhaps the minister will too if the hon. member would carry on.

Mr. Nixon: Write us a letter.

Mr. Deans: Isn't it one of the requirements of the Highway Transport Board to determine whether or not carriers that have been providing services are capable and willing to provide additional services required before granting any licences to other than those carriers that are licensed?

[2:30]

Hon. Mr. Snow: No, I wouldn't say it is the duty of the board to request—

Mr. Deans: Not to request, just to determine.

Hon. Mr. Snow: —or to determine whether they're capable. There's no doubt they're capable, I would say, in Gray Coach Lines operations. It is a large operator and supplies an excellent service in many areas of the province. As I stated in the statement, it had, from the time of the application made to the board in November 1975—from November 1975 to November 1976—

Mr. Cassidy: You're lost in the past.

Hon. Mr. Snow: —there was a total of one year between the time the applications were presented, the waiting period before the hearings were held and, again, more waiting before the decision was rendered. Gray Coach Lines did not take any action to improve its service or to provide the type of service being applied for. It did, I understand, implement what it calls its luxury service between Sudbury and Toronto.

Mr. Nixon: Supplementary: I wonder if the minister meant this, or did I understand him correctly when he said he did not think it proper for any group to express an objection to him or a member of cabinet personally, even though he said in his statement that he was now prepared to give whatever certification was necessary to bring into law the findings of the Highway Transport Board? Would the minister not agree that since the board had sent its findings to the minister, who then must certify them or whatever the procedure is, that carries within it the responsibility to accept, as a cabinet minister must, the public responsibility to hear from citizens who don't agree with the findings?

Hon. Mr. Snow: No, I don't accept that. First of all, as I explained yesterday in the House here, there is no certification of the Transport Board's decision—

Mr. Nixon: But there is ministerial approval?

Hon. Mr. Snow: No, there is not.

Mr. Nixon: You don't do anything with it at all?

Hon. Mr. Snow: No. When the Highway Transport Board issues the certificate of necessity, then the normal procedure is the applicant presents that certificate of necessity to officials of my ministry and is granted the licence.

Mr. Nixon: And you have nothing to do with the officials of your ministry?

Hon. Mr. Snow: In this particular case I asked that the issuance of the certificate be delayed until I personally had an opportunity to review the decision.

Interjections.

Hon. Mr. Snow: This is the first time in the last 14 months since I've been in this ministry that I have asked a certificate be reviewed, and I would think there have been several hundred certificates issued in that period of time.

Mr. Nixon: It is your decision.

Hon. Mr. Snow: It is not normal that each certificate that is issued comes to my attention.

Mr. Wildman: Supplementary: Could the minister indicate whether any evidence was presented before the board to indicate that

only Greyhound could provide this service and not Gray Coach? If not, why wasn't it suggested that Gray Coach provide the extended service?

Hon. Mr. Snow: Mr. Speaker, Gray Coach, of course, has for years had the opportunity to supply this service if it had wished to do so. It was not doing so, in the opinion of the board—

Mr. Deans: That has never been the opinion of—

Mr. Speaker: Order, please. Order.

Hon. Mr. Snow: —and the other applicant, Greyhound of Canada, made application to supply the service.

EMPLOYMENT ON INDIAN RESERVES

Mr. Lewis: A question to the Provincial Secretary for Resources Development: Has the provincial secretary met with Billingsley of Reed Paper and was anything decided?

Hon. Mr. Irvine: Yes, Mr. Speaker, I met, along with my colleague, the Minister of Natural Resources (Mr. Bernier), with Mr. Billingsley a week ago Friday afternoon. At that time we discussed the article that was in the news media as it related to the English-Wabigoon river system, mercury pollution and so on. At this particular time I don't believe I have anything further to relate to the House. I would like to wait until such time as we have further meetings with the federal government and with the native bands in the area.

The Chairman of Cabinet (Mr. Brunelle), the Minister of Natural Resources and myself met on Friday last with Mr. Allmand and his staff. It is our plan to wait until such time as the federal government has very specific projects to bring forth to the three of us or to the government in general, to determine whether or not they are feasible to assist the communities to improve their social and economic way of life. I would like to wait until that time comes about.

I asked the minister if he would bring it in as soon as possible because we were disturbed that it has taken so long for a decision to be made by the federal government. The federal government, through Mr. Allmand, indicated to me and to my colleagues that it is prepared to fund the natives in the English-Wabigoon area up to $120,000 for legal assistance.

I believe that's all I have to relate at this particular time.

Mr. Lewis: A supplementary question: Is the minister saying that an offer to the provincial government, expressed publicly in print, from the president of the Reed Paper company to participate financially in projects in native reserves in the English-Wabigoon river system by way, as it were, of reparation for what was done—that offer and his meeting are now in limbo until he finds out whether the federal government is prepared to provide those projects? Is there nothing we can do provincially to take advantage of this offer and to make it work in the northwest?

Hon. Mr. Irvine: No, that isn't what I was saying. What I said was that the federal government has the very definite responsibility of providing assistance to the native bands. What we are saying is that there is no use in the province of Ontario acting unilaterally unless it meets with the acceptance of the native bands in the area and with the federal government's assistance.

The company is prepared to help, if it can, in any way to assist in the economic and social development of the communities in question. The company feels the federal government and the provincial government with the native bands can best arrange how it might be handled in the future. That is what I'm saying.

Mr. Lewis: By way of supplementary—

Mr. Speaker: Order. May I just remind the hon. member that we are 17 or 18 minutes almost into the question period?

Mr. Lewis: I want to ask one supplementary. I didn't realize the Transport Board would take the time.

May I just ask the minister—since the provincial government has initiated a number of matters, right through from the question of wild rice protection to the provision of freezers for food supplies—is it not possible for us to take the initiative, dramatically, pick up the Reed offer and, in conjunction with the bands of Whitedog and Grassy Narrows, initiate projects which they have requested and indicate that it's possible to solve these problems?

Hon. Mr. Irvine: It's not that easy. What is definitely very important to understand is that when we have offered certain things they have not been accepted at the local community level. What I am trying to say is I think we can all work better together than unilaterally and the province of Ontario has

indicated to the federal government that we are—

Mr. Roy: You are going to have to get closer to an election than that.

Mr. Yakabuski: The NDP is sabotaging the whole thing.

Mr. Speaker: Order, please. The hon. minister will continue—

Mr. Lewis: The member for Renfrew Something is yelling things about sabotage. Can he say what he means?

Mr. Speaker: No. Order, please. The hon. member does not have the floor.

Mr. Lewis: On a point of privilege, considering the source it's hard to pay attention to it in any sense, but I don't think members on the government side should be able to say, "You're sabotaging everything with that sort of question" and simply get—all right. No further questions, Mr. Speaker.

Mr. Speaker: As I've indicated before, there's a great deal of indiscreet language in the chamber at times and it's all distressing. Order, please.

OHTB BUS LICENCE

Mr. Breithaupt: A question for the Minister of Transportation and Communications following on the Greyhound-Gray Coach matter: While the minister was quoting those certain particular complaints in his statement, was he aware that Greyhound had placed an ad in the Sudbury press asking for people to present arguments against Gray Coach's service in the area?

Hon. Mr. Snow: No, I wasn't aware of that.

Mr. Breithaupt: While the minister was reading the telegram sent in the name of local 1374 of the Amalgamated Transit Union the other day, was he aware that telegram was inspired and paid for by Greyhound?

Hon. Mr. Snow: Obviously, I would have no way of knowing whether or not that is right. I received a telegram, as I have received a number of other telegrams. As I mentioned, I received two this morning, one from the mayor of Sault Ste. Marie and one from the reeve of the township of Marathon. I have no way of knowing who paid for those telegrams. I would presume it was the municipalities which those gentlemen represent.

RACIAL ATTACK

Mr. Breithaupt: If I may, a question of the Attorney General, Mr. Speaker, following a question asked by my leader concerning an unfortunate racial attack during a religious festival on Weston Road.

The minister said he might have a report for us within 10 days. That was some two weeks ago; that time has passed. Is he able now to report to us with respect to the investigations completed by Chief Adamson of the Metro police?

Hon. Mr. McMurtry: As I recall, my preliminary response in the House indicated that subsequent to the question, I had learned that the Solicitor General had already requested a full report from the Metropolitan Toronto police department. I will, I am sure, hear the report as soon as it is received by the Solicitor General.

Hon. Mr. MacBeth: I have had an interim report but we have not yet had a final report and it will be forthcoming.

Mr. Breithaupt: Thank you. The minister will be able, hopefully, to bring us a final report before the middle of December and the possible adjournment of this session?

Hon. Mr. MacBeth: I hope so, Mr. Speaker.

STANDARD ENTRANCE EXAM FOR UNIVERSITIES

Mr. Breithaupt: A question of the Minister of Colleges and Universities: Is the minister presently preparing to introduce government policy which would require entrance examinations on a province-wide basis for universities?

Hon. Mr. Parrott: That is another illustration—I believe the members opposite should know the entrance requirements are set by the institutions themselves. I think, also, they should be aware that there's a good deal of thought being given to this by the institutions. There were some studies this year. I don't think I can add to those comments at this time.

Mr. Breithaupt: Perhaps I could repeat my question for the minister—is he now preparing to introduce province-wide standard entrance examination requirements for universities?

Hon. Mr. Parrott: Not at this time.

Mr. Breithaupt: Perhaps I can put the question to the Minister of Government Services following her recent constituency newsletter—

Mr. Lewis: I've got one.

Mr. Breithaupt: I noticed the quotation "The province may also introduce entrance examinations for universities." Perhaps the minister could share with us any information she has on this subject which the Minister of Colleges and Universities may not have.

Hon. Mrs. Scrivener: Mr. Speaker, I would refer that question to the Minister of Colleges and Universities.

Mr. Nixon: Are you writing your newsletters these days?

Mr. Breithaupt: I don't know who writes the minister's newsletters but presumably this might be a policy field question.

Interjections.

Mr. Speaker: Order, please.

Hon. Mr. Davis: I tell you, I would like to read some of your newsletters.

Mr. Breithaupt: If you can make anything supplementary out of that, go ahead.

Mr. Lewis: I can make something out of it. A supplementary: As one of the minister's constituents, if that doesn't destroy my soul and reputation, can the minister indicate to me why false and misleading advertising material is coming into my home in this fashion from a minister of the Crown?

Hon. Mrs. Scrivener: Mr. Speaker, I deny that such false and misleading information is going into the member's home but I would like to compliment him on his great good judgement in living in the riding of St. David, for which he has very good representation in this House.

EDUCATION STANDARDS

Mr. Breithaupt: A question to the Minister of Education with respect to his announcement of the testing and evaluation committee which he announced last Friday: Could the minister expand on the statement he made in the estimates of his ministry on October 31 with respect to the establishment of apparently another committee over a year ago on that particular subject of evaluation? Was it the same work that is now being done; or has that committee reported to him and made any particular statements which this other committee apparently will follow through upon?

Hon. Mr. Wells: No, it is not the same work. The other committee has done the basic study work. This committee is taking that work and, hopefully, putting it into action. I think I covered all that in my statement in the House on Friday morning.

[2:45]

SENIOR CITIZENS' RENT INCREASE

Hon. Mr. Rhodes: Yesterday the hon. member for Windsor-Walkerville asked a question of me concerning an increase in food prices at the hostel units in the city of Windsor. The member indicated that the hostel units, 78 of them, are located at 415 University Avenue East and described the increase as being 28 per cent. The increase of 74 cents per day is an actual increase of 23.5 per cent.

The contract for food service at the hostel units was recently awarded to Beaver Food Services whose bid of $3.88 per person per day was the lowest of the three submitted. The other tenders were for rates of $4.62 and $5.68 per day per person. Tenants have been given notice of the increased rate, collection of which will commence in January. As food costs are not eligible for subsidy, any delays in payment by residents would only result in much higher payments being required at a later date. Beaver got its original contract in 1970 when the daily rate was $2.24. The next increase didn't occur until 1973 when it went up to $2.69 per person per day. In June, 1975, the rate increased to $3.14. So the current rise represents the first increase in close to 18 months.

I did want to point out that the hon. member in his question to me yesterday, I believe, seemed to indicate that this was a matter of an increase in the price of food, which he related to the fact that the cost of food index had not increased over the past year. This is a service that's being provided, as I'm sure the hon. member knows, to the residents who are in the hostel units and these prices are the cost that involves the preparation of the food, the labour involved with that preparation, delivery and serving to the residents in these hostel units.

Mr. B. Newman: Supplementary: Does the minister not consider that a $27 increase, from $96 a month to $123 a month, is a 28 per cent increase? Would the minister not consider phasing in this increase over a period of time rather than having the residents of 415 University Avenue East all of a sudden

in January be required to pay this substantial increase for food?

Hon. Mr. Rhodes: As I said, this is a tendered price of the cost to provide the food for the individual residents. It works out to $3.88 per day per person for the preparation and the serving of the three meals a day. These are the costs on a tendered contract. I don't know what other way one would use to pay for these costs except by those persons who are using the service.

Mr. B. Newman: Is the minister not aware that in previous times when food costs escalated they were phased in?

Hon. Mr. Rhodes: I'm not aware of that. The information that I have, and I have looked into it as a result of the question yesterday, is that there have been increases in this food service over the past number of years. I indicated in my reply to the hon. member that there have been increases starting in 1970 with the original contract. Rates have increased from $2.24 per day per person in 1970 to the present rate which is now at $3.88 per day per person.

I don't understand where the phasing in would have been because there's no indication of such in the material I have.

TUITION FEES

Mr. Warner: I have a question for the Minister of Colleges and Universities. Since the minister has decided to spend $44 million more than he had been advised to by OCUA, and since neither OCUA nor the advisory committee on student aid recommended raising tuition fees, is it not so that a fee increase for September is unnecessary?

Mr. Lewis: Why did you decide to spend so much more?

Hon. Mr. Parrott: I would like to have the benefit of how the member for Scarborough-Ellesmere decided we had spent $44 million more than OCUA recommended. He makes that statement; I would like to see substantiation of that statement.

Mr. McClellan: Who is the minister?

Mr. Speaker: Is there a supplementary question?

Mr. Warner: Not realizing that I was here to answer questions, I would like to pose two supplementaries. Will the minister table—

Interjections.

Mr. Speaker: The hon. member is correct. Order, please. He is posing questions now.

Mr. Warner: Will the minister table a definitive response justifying a budget far greater than that which was devised by OCUA; and when will we see the report from the advisory committee on student aid?

Hon. Mr. Parrott: I would have to say to the member that he may not be here to answer questions, but my role is to be very sure that any—

Mr. McClellan: Answer the question.

Hon. Mr. Parrott: —assumptions that he makes, erroneous as they might be, do not find their way into fact in this province. In other words, if he makes a statement, I do not think that it is incumbent upon myself to accept that as a statement of fact. I wouldn't go so far as to say the next statement which might put me in conflict with you, Mr. Speaker, but I think it's very important that—

Mr. Roy: You don't have to worry about it, the Premier gets away with it!

Hon. Mr. Parrott: —that the member realizes full well that he stated an erroneous fact.

Interjections.

Mr. Speaker: Order. The member for London Centre.

ECONOMIC STRATEGY

Mr. Peterson: Mr. Speaker, to the Treasurer: I'd like to take—

Interjections.

Mr. Speaker: The member for London Centre.

Mr. Peterson: —I'd like to take the Treasurer back—

Interjections.

Mr. Speaker: Order, please. Order. The member for London Centre.

Mr. Peterson: —to his statement of last week.

Mr. Breithaupt: A maxi statement but a mini result.

Mr. Peterson: He projected an increase in expenditures of 9.6 per cent, but he also projected an increase in interest payments of some 16.8 per cent, in total $150 million,

bringing a net interest figure to something over $1 billion next year. Now my question to the Treasurer is how can he project that without projecting his revenues and without projecting the size of his deficit for next year? And is he prepared to share those two very important matters with the House at this time?

Some hon. members: Hear, hear.

Hon. Mr. McKeough: Those will be disclosed at the time the budget is brought down in the spring.

Mr. Peterson: Mr. Speaker, may I just pursue this, because I think—

Mr. Speaker: A supplementary question?

Mr. Peterson: My question is how can the Treasurer project that deficit and that interest figure when he doesn't project his revenues? And why is he not prepared to share that with us now, particularly in view of the fact that there's a 16.8 per cent increase in interest alone?

Hon. Mr. McKeough: Actually, Mr. Speaker, the figure for interest would reflect a current debt, not necessarily iron-clad assumptions at this moment about debts which might be incurred, internal borrowings or otherwise for next year.

Mr. Peterson: A further supplementary, Mr. Speaker: What percentage of the $150 million is a refinancing of the current debt and what percentage is new debt? That's the question, surely.

Hon. Mr. McKeough: I'd be glad to get those figures, Mr. Speaker, but the simple fact is that at such time as the budget is brought down, presumably in March or April, we will be laying all those figures before the House.

AUTOMOBILE INSURANCE

Hon. Mr. Handleman: On November 10, the member for Quinte (Mr. O'Neil) asked me: "Can the minister confirm complaints which were made to me that deaf persons are assessed for unduly high car insurance premiums? If this is so, what steps does he plan to take to correct the situation?"

We have looked into it and we can find no evidence that there is any industry-wide rating practice in connection with deaf drivers who are insured for automobile insurance. None of the rating organizations has any special classification to rate for such drivers. The Facility, which is the vehicle for high-risk drivers, has no provision for surcharging the deaf driver.

It is possible, of course, that some individual insurer may decide in a particular case to rate a deaf driver in a special category. If there's any particular instance of that nature, I would appreciate having it brought to my attention.

LOSS OF GOLD MINING JOBS

Mr. Ferrier: I have a question of the Treasurer, Mr. Speaker: Is the Treasurer aware that because of the federal government's position on the gold mining industry there will be 900 jobs lost in the gold mining industry in Timmins alone this year? Will he provide consultation with Ottawa and try to come up with a policy for the gold industry in Ontario and in Canada, since we do not have a policy. And what plans has he to alleviate the unemployment caused by this federal government gold policy, or lack of policy?

Hon. Mr. McKeough: Mr. Speaker, the Minister of Natural Resources (Mr. Bernier) has answered questions on this matter before. He has had discussions with Ottawa on at least one or two occasions, and we have been involved in those discussions as well. More recently, within the last two or three weeks or last month, the federal Minister of Finance has had some success in prevailing on the IMF to regularize and slow down their auctions somewhat. In any case the market seems to have adjusted somewhat to the quantities which are being sold by auction and the price of gold has strengthened somewhat, and it may be that what we thought was going to be a very serious problem is not as serious as we thought.

Mr. Ferrier: As a supplementary, does the Treasurer not think that it is important that we develop in Canada and in Ontario a policy for the gold mining industry so that we might plan ahead and provide some security for the jobs that are there now and perhaps make room for some expansion, which is a very real possibility should there be a commitment from both the provincial and federal governments to the gold mining industry and to the community and the workers?

Hon. Mr. McKeough: Mr. Speaker, we're not about to make a commitment to purchase gold at a price, no.

Mr. Bain: Supplementary: In the estimates committee the Minister of Natural Resources said he would meet with the Treasurer; has he met with him and has he and the Minister of Natural Resources come to a conclusion yet? If the federal government refuses to provide any sort of gold subsidy and it becomes absolutely essential that such a subsidy be provided if gold mining communities are to survive, will the provincial government provide that subsidy if the federal government refuses to act?

Hon. Mr. McKeough: Mr. Speaker, I think there were at least three or four hypothetical parts to that question.

Mr. Bain: Has the Treasurer met with him and discussed it though?

Hon. Mr. McKeough: With my colleague, yes. We've had discussions on several occasions.

Mr. Bain: What was the outcome of the discussion?

Hon. Mr. McKeough: We're continuing to watch the situation, but it is not the responsibility of the government to step in and rescue the unemployment insurance fund, for example.

Mr. Bain: So if the federal government does nothing what will you do?

Hon. Mr. McKeough: Is the member really suggesting that's part of our responsibility? Mr. Speaker, I have said before that the situation has been reviewed—

Mr. Speaker: Order.

Mr. Roy: You are out of order.

Hon. Mr. McKeough: The member is asking hypothetical questions repeatedly.

Mr. Speaker: Order, please. There is no supplementary.

ESSEX PACKERS

Mr. Gaunt: A question of the Minister of Agriculture and Food: This question pertains to the pending liquidation of Essex Packers. Since the final debt payouts to farmers will be well below the 15 cents on the dollar offered earlier this year, and since Better Beef, aided and abetted by this government, forestalled Essex's pending bankruptcy with a plan to take proxy control by purchasing debts at 15 cents on the dollar, what further intervention does the government plan at this time on behalf of the farmers?

Hon. W. Newman: Mr. Speaker, I think that question should be more appropriately put to the Minister of Correctional Services who deals with that particular matter, as members know.

Mr. Speaker: Does the hon. member wish to refer the question?

Mr. Gaunt: I'll redirect it.

Hon. J. R. Smith: Since we are really no longer directly involved, I am just trying to find it and will give a response to the hon. member on Thursday exactly when the next hearing is before the court and what it involves.

Mr. Gaunt: Supplementary: In view of the fact that the lion's share of the money raised from the property sales will go toward Better Beef's secured debt, of I believe $700,000, would the minister consider it appropriate and possible to negotiate with Better Beef to see if a portion of that money could be directed toward the farmers for payment on their livestock?

Hon. J. R. Smith: Mr. Speaker, it is my belief that we no longer can do that.

Mr. Conway: Where does the buck stop?

Mr. Good: Turn off the light on seat 77.

Mr. Roy: We can see you, Jimmy, we can't hear you.

[3:00]

LAYOFF OF CASUAL AND UNCLASSIFIED EMPLOYEES

Hon. Mr. Auld: The member for Algoma a few days ago asked a question on the subject of the unclassified staff.

The problem that surfaced with respect to the Ministry of Natural Resources relates to appointments made under group 2 of section 5 of regulation 749 of The Public Service Act. Persons appointed under this section are employed in projects of a seasonal or recurring nature, which doesn't require them to be employed on a full-time year-round basis.

Mr. Roy: Just table it, Mr. Speaker. We can't hear.

Mr. Peterson: Mr. Speaker, we can't hear.

Mr. Speaker: Order, please. There is some difficulty in hearing. I think the hon. minister

might be able to speak out a little bit and if there were a little bit less noise—

Mr. Good: Turn off the microphone on seat 77.

Mr. Nixon: It is the minister's style; he is just perfecting it.

Mr. Peterson: Could we get Mr. Riddell to read it, Mr. Speaker?

Mr. Kerrio: Mr. Yakabuski.

Hon. Mr. Auld: If I may lean a little to the right?

Mr. Speaker: I think if you lean to the right that would be acceptable.

Hon. Mr. Rhodes: He'd read it from Huron county.

Hon. Mr. Auld: I still have one foot in my place; shall I start over again?

Mr. Nixon: Go right ahead.

Mr. Speaker: Order, please.

Hon. Mr. Auld: We have defined a seasonal project as having a maximum period of nine months on the premise that anything beyond that could be considered a full-time continuous position. This definition has created problems for some ministries and we are working with them to resolve the situation. In the interim, we have suggested that they not terminate anybody simply because the employment does not conform to this definition until we have explored all the alternatives.

As far as the benefits are concerned, our definition was not aimed at penalizing employees but rather clarifying the kinds of work most appropriately categorized as group 2 or seasonal or recurring in nature. I am advised that this does not affect the employees' ability to use sick leave credits if they are sick at any time during the period in which they are employed. The question of benefits is, of course, subject to negotiation and collective agreement and these negotiations are presently under way.

Mr. Wildman: Could the minister indicate when the final decision might be made so that these employees won't remain in limbo for very long, wondering what's going to happen? Could he clarify how this decision might affect the pension benefits for some of the unclassified employees?

Hon. Mr. Auld: The unclassified staff, the so-called casuals, are only covered by the Canada Pension Plan. They are not involved in The Public Service Superannuation Act. I can't really tell him when we are going to have this resolved except I hope it would be fairly shortly because we've been going into it for some little time already.

Mr. Speaker: The member for Welland-Thorold—is this a supplementary?

Mr. Good: No, this is a new question.

Mr. Speaker: We have a new question here first.

Mr. Swart: My question is of the Minister of Treasury, Economics and Intergovernmental Affairs.

Mr. Good: On a point of order, Mr. Speaker.

Mr. Speaker: No, order, please. The hon. member for Algoma had a supplementary.

Mr. Good: No, the last question asked here, Mr. Speaker, was by the member for Huron-Bruce.

Mr. Speaker: That's right, and then we went to an answer from the minister over here and we are back to this side now. The member for Welland-Thorold.

NIAGARA LAND USE REPORT

Mr. Swart: To the Treasurer: Would I be correct in assuming that he is aware of another document being tabled, entitled Land Use Planning in the Niagara Peninsula, prepared by Professor John Jackson specifically for the Niagara Review Commission? Does the Treasurer know that document severely criticizes the lack of direction from the government on provincial regional planning? Is he prepared as—

Mr. Ruston: Statement.

Mr. Swart: —a result of that to give any more direction to the Minister of Housing in his decision on Niagara?

Hon. Mr. McKeough: Mr. Speaker, that was a three-part question. The answer to all three parts is no.

Mr. Speaker: We have time for one question here—in all fairness I think we should; we have about 20 seconds here. We'll give an opportunity for a question from the member for Waterloo North.

ANNEXATION OF UNORGANIZED COMMUNITIES

Mr. Good: Thank you, Mr. Speaker. I will be glad to ask my question and supplementary all in one. This is a question of the provincial Treasurer regarding the study of 14 unorganized townships in the Kirkland Lake area.

Could the minister first report on the status of this study in view of the fact that the three representatives of the unorganized townships resigned because they said the government had ignored their petition asking that they not be annexed to Kirkland Lake?

Secondly, would he comment on why he insists on studying an area in which the townships have made it perfectly clear that they want to be left alone and they are quite happy with their present form of unorganized government?

Hon. Mr. McKeough: I think the member might talk to the member from the area, among others, and he would find out—

Mr. Good: I am asking you. I know what he says.

Mr. Conway: Louder, Darcy.

Hon. Mr. McKeough: He would find out that there are problems because there is a lack of organization; there is a spillover. There is a request for services which could best be handled in some instances by some form of organized government, but it isn't simple enough to say to leave them in an unorganized form. That may be the answer, but that's what the study is all about.

Mr. Speaker: The oral question period has expired. Before we go on to the next order of business, the Minister of Transportation and Communications has indicated he has a further statement he would like to make. We would have to have the permission of the House to revert to statements. Do we have that permission? Agreed.

SAFE DRIVING WEEK

Hon. Mr. Snow: Thank you, Mr. Speaker. This will be very short and unprovocative, I hope.

Mr. Conway: Most unusual.

Hon. Mr. Snow: The next seven days, December 1 to December 7, have been proclaimed "Safe Driving Week" in Canada. I would like to take this brief opportunity to go on record and indicate to the House that we in the Ministry of Transportation and Communications heartily endorse the efforts of the Canada Safety Council to reduce the accident rates on all our Canadian highways.

Mr. Conway: How about Bob Johnson?

Hon. Mr. Snow: I would also like to state, again for the record, that my ministry has been consistently doing its part to impress on Ontario motorists, pedestrians, cyclists and motorcyclists—

Mr. Speaker: Order, please. There is too much noise and movement around the chamber.

Hon. Mr. Snow: —in fact, all those who use provincial streets and highways—that safety is a matter of concern for 52 weeks of the year. The ministry's theme is "Go Safely", and the programme covers such safety areas as seatbelt, school bus, snowmobile, bicycle and pedestrian safety for adults and children; and motorcycle, elementary school safety programmes and driver education in our high schools. As well, on a continuing basis, we produce safety literature and public information messages promoting defensive driving techniques for summer and winter driving.

As the Canada Safety Council has pointed out in its current campaign, "Traffic accidents continue to be one of Canada's greatest social problems." We agree, and accident statistics readily will prove that. Though the rate is high, Ontario's death and injury rate is dramatically down from last year, as I reported to the House last week.

On the occasion of Safe Driving Week, I would like to sincerely thank the media for their extremely valuable assistance in publicizing my ministry's various safety programmes throughout the year. Through newspaper feature stories and public service radio and television messages, we have been able to spread the safety message more widely.

Finally, I want to assure the members that my ministry intends to continue to drive home to the residents of this province that highway safety is everyone's business.

Mr. Speaker: Petitions.

PETITION

Mr. Breithaupt: I beg leave to present a petition from the officers of local 113 of the Amalgamated Transit Union, representing 6,800 employees of the Toronto Transit Com-

mission and Gray Coach Lines, requesting that no licences be issued to either Greyhound or Stock Brothers until such time as the cabinet has learned the full facts of the case. I might add that most of these gentlemen are in your gallery today.

Mr. Lewis: Liberals in bed with the trade union movement! That's not a healthy thing for the trade union movement. They will need cleansing and purifying.

Mr. Speaker: Presenting reports.

REPORT

Mr. Breaugh, in the absence of Mr. Lawlor, from the standing administration of justice committee, presented the committee's report which was read as follows and adopted:

Your committee begs to report the following bill with certain amendments:

Bill 97, The Credit Unions Act, 1976.

Ordered for third reading..

Mr. Speaker: Motions.

MOTION

Hon. Mr. Welch: Mr. Speaker, I did have some indication from the House leader of the official opposition that they wanted a substitution. Although I haven't got it written out, I wonder if it would be in order to move that Mr. Makarchuk be substituted for Mr. Martel on the select committee considering the Camp report until such time as Mr. Martel has recovered from his illness.

Hon. Mr. Welch moved that Mr. Makarchuk be substituted for Mr. Martel on the select committee studying the fourth and fifth reports of the Legislature.

Motion agreed to.

Mr. Speaker: Introduction of bills.

Just before the orders of the day, I should announce to the House that in accordance with order 27(g) in our standing orders, I have been duly notified in writing that the hon. member for Scarborough-Ellesmere was not satisfied with the answer to a question from the Minister of Colleges and Universities and he wishes to debate this matter at 10:30 o'clock this evening and it shall be.

Also before the orders of the day, in accordance with section 82 of The Legislative Assembly Act, I am required to inform the House that the Lieutenant Governor in Council has been pleased to appoint Hon. Mr. Henderson in place of Hon. Mr. Snow and Mr. Maeck in place of Mr. Morrow on the Board of Internal Economy.

ANSWER TO WRITTEN QUESTION

Hon. Mr. Welch tabled the answer to question 153 standing on the notice paper. (See appendix, page 5221.)

Mr. Speaker: Orders of the day.

MUNICIPAL AMENDMENT ACT

House in committee on Bill 149, An Act to amend The Municipal Act.

Section 1 agreed to.

On section 2:

Mr. Deputy Chairman: Mr. Norton moves that section 242a of the Act as set out in section 2 of the bill be struck out and the following be inserted in lieu thereof:

"242a. Where the council of any municipality passes a comprehensive general bylaw dealing with all or any of such matters within its jurisdiction as the council considers desirable to include therein, which bylaw may be known as the municipal code and such bylaw consolidates and includes therein the provisions of any bylaw previously passed by the council;

"(a) the provisions in the comprehensive general bylaw shall be deemed to have come into force on the day the original bylaw came into force; and

"(b) any condition precedent or subsequent or the approval for the external to the council required by law before the original bylaw came into force shall, where such condition was satisfied or approval obtained in respect of the orginal bylaw, be deemed to have been satisfied or obtained in respect of the corresponding provision in the comprehensive general bylaw in all respects as though the condition had been satisfied or the approval obtained in respect of that provision in the comprehensive general bylaw."

The hon. member may proceed.

Mr. Norton: Perhaps just briefly, Mr. Chairman, I could explain the reason for this amendment. It is very similar to the section that is contained in the bill, but I would note that the changes are that in the first line, as opposed to reading as it does in the bill that the council of any municipality may pass such a bylaw, it is amended to read

where the council of any municipality passes a comprehensive general bylaw.

[3:15]

The reason for that change was that it was brought to our attention by some municipalities that the use of the word "may" might create the impression that prior to the passing of this provision they could not pass a comprehensive bylaw. It had been the practice, apparently, of some municipalities to hold their meetings so that the various items of business on the agenda were dealt with by resolution. At the conclusion of the meeting, they would then pass one bylaw which would include all the resolutions that had been dealt with during the course of the meeting.

They were concerned that if it appeared in this legislation that we were just for the first time granting permission to do that, someone might challenge the validity of their prior bylaws. That was not the intention. It has been our impression they had the authority to do this previously. In order to clarify that, we are changing the wording so that it does not appear to be permission to do this for the first time but rather sets out certain circumstances which would arise if they should pass such a bylaw.

Mr. Swart: I rise to support the amendment. As a matter of fact, if the member for Kingston and the Islands hadn't moved it, I was going to, because I was aware of the concern of certain municipalities that it would jeopardize what they had done in the past. We will support this amendment.

Section 2, as amended, agreed to.

Sections 3 and 4 agreed to.

On section 5:

Mr. Deputy Chairman: Mr. Swart moves that subsection 1(a) of section 296 of the Act, as set out in section 5 of the bill be struck out, and that subsection 1(b) be renumbered as subsection 1.

Mr. Swart: I will read the subsection so that we will know what I am proposing to delete. It is as follows: "Notwithstanding subsection 1, the council of the municipality having a population of less than 20,000 as determined under The Ontario Unconditional Grants Act, 1975, shall not pass a bylaw under the provisions of subsection 1 until the approval of the Municipal Board has been obtained."

I think the intent of my amendment is clear. Our party proposes that the requirement of the OMB to approve minor variations in conditions of unsold debenture issues be dropped for all municipalities, not just for those over 20,000, as the government wants to legislate in this bill. The number of municipalities over 20,000 in population in this province is about 100. That means that there are approximately then 750 municipalities which would still have to get approval from the Ontario Municipal Board for very minor variations in debenture issues. I suggest this is an unjustified bias against the smaller municipalities.

The considerations on this are perhaps threefold. The first is the matter of time. There is time involved with the Ontario Municipal Board. We all know that they are overloaded now and there are delays. There is a time of delay to the municipalities in having to get approval for a change in debentures which in a changing money market could mean that by the time they get it approved they should be making another change. I guess the concern of the government is that they want safeguards for the small municipalities which they think have inadequate staff to advise on these sorts of changes in their debenture by-laws. Surely, when section 1(b) limits them to varrying the interest rates by only one-half of one per cent, that is an adequate safeguard against any major problems arising from decisions they might make.

I also want to state here that the smaller municipalities, those under 20,000, aren't quite as incompetent as the government thinks they are in these and other matters. They get advice on these things and their decisions very often are just as competent, just as wise as the larger municipalities in Ontario.

Another argument which has been put forward as the reason for not permitting municipalities under 20,000 to make these minor changes on their own without the Ontario Municipal Board looking over their shoulder is that they don't market debentures or at least don't market many debentures; they get their money through the OMIC, the Ontario Municipal Improvement Corporation. As a matter of fact, in our debate on second reading of this bill the member for Waterloo North (Mr. Good) made that point very forcefully. He said, and I quote from Hansard of that time:

"Then we go to the other part of the amendment which says that municipalities under 20,000 still retain the same provisions that existed in the sections previous to this amendment coming in.

"Personally, I can't see too much wrong with that. In many other instances we differentiate between the large municipalities and the small municipalities. First of all, the Ontario Municipal Improvement Corporation is available for all municipalities under 20,000; municipalities over 20,000 population cannot avail themselves of the services of OMIC because OMIC provides funds to buy debentures only for municipalities under 20,000.

"Consequently, the greater proportion of financing done by municipalities is done through OMIC, and the issuing of debentures on the public market is not very common by municipalities under 20,000."

He reaffirms that later when he says, "While the previous speaker" and there he is referring to me, "had indicated that they don't think this is right, that it is discriminating, I personally feel there are valid and good grounds for making a difference between those municipalities that do most of their financing through the Ontario Municipal Improvement Corporation."

I just want to say, Mr. Chairman, that the member for Waterloo North is mistaken in saying that the—

Mr. Nixon: If he is, it's the first time.

Mr. Swart: There's always a first. He is mistaken in saying that the smaller municipalities do most of the selling of their debentures through the OMIC.

Mr. Good: Most of them do.

Mr. Swart: I checked this with OMIC and I found that of $38 million debt incurred in 1974 by municipalities under 25,000—you'll recognize that they don't always have the same grouping—only $7 million was obtained from OMIC, or less than one-fifth of the total long-term debt which was incurred by the municipalities.

I was told that they often run out of money and therefore can't provide the municipalities with the long-term financing they need. I went a bit further than that and I contacted 10 relatively small municipalities to find out they did use OMIC. I could name those here.

There was Walkerton, with a population of 4,600; Orangeville 9,800; Aylmer with 4,705; Yarmouth township with 7,715; Leamington 10,576; Pittsburgh township in Frontenac county 6,861; Hanover 5,116; Sidney township 9,057, Ingersoll 8,013 and Hearst with 4,668 population. The result of that survey was that one municipality of those 10 used OMIC exclusively, four used the open market exclusively, four used both OMIC and the open market and one hadn't issued any debentures recently. In their opinion, five preferred OMIC, three preferred the open market, and two had no preference.

I might just give you a comment or two from those municipalities. Orangeville stated they never used OMIC, they always either sold them locally or through a broker. Aylmer said that they went both ways. Pittsburgh, Frontenac county, said they used OMIC all of the time, and Hanover in Grey county said they never use OMIC and they issued not too long ago a debenture for $500,000. I take time to point that out to show that in fact the small municipalities market most of their debentures not through OMIC but on the open market, and therefore I suggest that they have the right to have that privilege of making those minor changes in the debenture issue on their own, without having to go through all of the procedures of the Ontario Municipal Board, which of course encompass delays and, I say to the member for Kingston and the Islands, in a government that is trying to cut down on costs, just simply adds to the duplication and thus the cost of the issuance of debentures.

In summary, I just say with regard to the proposal that is made here for amending section 5, that if using the open market if the safeguard of one-half per cent interest is added cost to OMB and delay in time to municipalities is the result of this, let's extend this minor concession and autonomy to all local governments. I would ask both the member opposite and the gentlemen to the left to give serious consideration to this motion, which I suggest is very sound.

Mr. Good: Undoubtedly the previous speaker has a different source of information from that which I used when I got my information. I still feel the major portion of large issues is obtained through OMIC, the Ontario Municipal Improvement Corporation.

Mr. Swart: I just told you. The figures are there.

Mr. Good: You are talking about total. You said five use OMIC, three don't use OMIC, and you mention that only 20 per cent of the total is issued through the Ontario Municipal Improvement Corporation. I think this section of the bill would apply only where there has been a large debenture issue of substantial size, where the issue is not being picked up as quickly as the municipality would expect it to be. Undoubtedly, in small issues which are

put out to the public money market they are going to be taken up in one lump sum by the underwriting agent. In cases where there is a particularly large issue, every hour when the interest rate fluctuates it's going to mean money one way or another to the municipality. If the interest rate is too far off I'm sure the issue would have to be withdrawn and probably redrafted at a different rate entirely. I personally don't feel you can have two sets of rules. If the small municipalities have access to the funds then they have complete freedom to do as they wish in other areas.

[3:30]

If the parliamentary assistant wants to accept that amendment, let him do it on his own. I personally feel there is a difference to be made in that municipalities under 20,000 have access to only—I don't think they have the large number of large debenture issues which the large municipalities have of necessity. I think it is going to be a strain on the financial management of those municipalities if they want to exercise this particular section of the bill.

Believe me, it takes a considerable amount of expertise in the bond and money market to decide whether we are going to change the interest rate an eighth of one per cent; on a large issue that means a lot. I have been told, and I rather believe it, that that expertise does not exist to a great extent in some of our larger municipalities. It's a very tricky business when it comes to handling millions of dollars of debentures for a municipality and you are talking about an eighth or 25 points percentage of interest rate.

I still feel as I did when I made my first statement. If the parliamentary assistant wants to accept that amendment I say let him do it but I feel there is a difference. I don't think it's any hardship on the small municipality because I do not think this instance arises that often in the small municipality; it only arises on a large debenture issue. I'll bet you can't point out one instance—there are very few instances in which the small municipality has found its relatively smaller issues going unsold.

Mr. Norton: Mr. Chairman, the hon. member for Welland-Thorold has indicated that certainly there are some municipalities, some of the smaller municipalities, which do deal with the market as opposed to going through OMIC. I don't think any of my statements earlier nor the statements of the hon. member for Waterloo North were intended to create that impression.

As a matter of fact, our data indicate that of the municipalities of 20,000 or under some 40 per cent do not engage in long-term financing or long-term borrowing. Of the 60 per cent which do, at least 40 per cent of their needs are met presently through OMIC.

I might also add that the problem we're trying to meet here is a problem which has never been raised, to my knowledge, by the small municipalities. It's one which is faced by the larger municipalities when very large sums of money are involved. They may have difficulty in moving their debentures and, as a consequence, they stand to lose substantial amounts of money. I think what the hon. member for Waterloo North has said is correct. It does not appear to be a problem experienced by the smaller municipalities.

I can appreciate the thrust of what you're trying to do—not to appear to create anything, a situation, which is in any way prejudicial to one group of municipalities. This is not an arbitrary thing we're doing and it's not just a stab in the dark. It is related to practice. It is related to the present setup of OMIC. It is related to the fact that the smaller municipalities may borrow for any purpose from OMIC whereas the larger municipalities may not. There is special provision which has been made for the small municipalities.

In addition to that, I don't think we should overlook lightly the fact that some of the smaller municipalities operate with very limited staff; in some cases, no full-time staff. It becomes a very difficult task for a part-time clerk to handle rather complex financial matters such as this.

It's not a paternalistic position which we're taking but rather one, I think, which recognizes the differences that do exist in municipalities. I think that in those cases, since it does not appear to be a problem and is a very rare occurrence in any event, to relieve the requirement for Ontario Municipal Board participation with the smaller municipalities, if they should be faced with this, is not an onerous requirement.

Mr. Swart: It is a rare occasion even for the small municipalities.

Mr. Norton: No, the point is that even the fact that it is a rare occasion for a very small municipality with a very limited staff I think makes it an even more difficult task if it should arise, in which case the assistance of the Ontario Municipal Board as a check is, I think, desirable. For that reason, I would not be prepared to support the amendment although I realize that the intent is sincere

and it's been very well researched. I think that it overlooks the need to make this distinction and to recognize the distinction that does exist in OMIC and in other arrangements with the small municipalities.

Mr. Deputy Chairman: Shall Mr. Swart's amendment carry?

Those in favour will please say "aye."

Those opposed will please say "nay."

In my opinion the "nays" have it.

Shall we stack it?

Some hon. members: Yes.

Sections 6 to 9, inclusive, agreed to.

On section 10:

Mr. Deputy Chairman: Mr. Swart moves that clause (c) of paragraph 87 of subsection 1 of section 354 of the Act, as set out in section 10(7) of the bill be amended by striking out "but no licence fee shall be more than $20 per month" in the fifth and sixth lines, with the following inserted in lieu thereof:

"and notwithstanding that the trailer is not assessable under The Assessment Act, the licence fee shall be equal to the pro-rated amount of municipal taxation that would apply if the trailer were eligible for assessment under The Assessment Act. Such licence fee shall be apportioned among the bodies for which the municipality is required to levy a rate in the same proportion that municipal taxes levied in the preceding year on residential assessment for each such body bears to the total taxes levied in the preceding year on residential assessment for all purposes."

Mr. Swart: There are really three sections of this Act which deal with the same basic issue. There is also subsection 6 of section 10 and then a subsection of 15, and it all concerns just two things. One is the transfer from The Municipal Act to The Planning Act of the right to refuse and zone trailer or mobile home parks and individual mobile homes which may be located in the municipalities. Because they are tied one to the other, I would like on this particular amendment to put forth the arguments for section 15 as well and not duplicate my comments at that time. I hope this will be acceptable.

Let me say immediately that we believe the intent of these sections and these subsections is to remove the powers which municipalities now have to provide a blanket prohibition against the location of mobile homes and mobile home parks within their municipalities. We believe that the prohibition, consideration and determination should be made under the umbrella of planning and zoning. I may say we agree with this general intent and suggest that it is a move forward.

The prohibition legislation has been used extensively. Understandably, from a municipal point of view there was reason to use the prohibition measures. Formerly, mobile homes —they were mostly trailers a number of years ago—yielded little revenue. Years back many of them did deteriorate to almost slum conditions. The situation has changed and the blanket prohibition should be removed.

However, I want to say there should be no doubt left with municipalities that the ability to prohibit is just being transferred to the planning process. Under a planning process they may be able to prohibit, but they have to have that approved by the Ontario Municipal Board. If the Ontario Municipal Board decides that a municipality should not be able to prohibit or putting it another way that it should have an area where a mobile home would be permitted, then it will have the power to do so. The old blanket provision which required no approval from any other body to prohibit mobile homes in the community will be gone.

Certainly they will not be able to do it with the same ease that they did before. I suggest this bill is a step on the road to implementing the 1974 task force on housing policy when it said the province should not allow municipalities to exclude mobile homes as a permitted use under zoning bylaws.

I want to make it clear at this time that we are in fact changing the powers of the municipalities. I say that the situation has changed substantially and I want to document this. It's in recognition of this change that we move amendments to sections 10 and 15 to have mobile home owners pay their fair share, and I say nothing more or nothing less, of property taxation.

The changes that have brought about the need for the amendments here and for the amendments which we propose are, first of all, housing costs. The government of this province has permitted dwelling units, at least single-family units, to escalate to the place where few people can afford them. Mobile homes, therefore, are to many people a desirable alternative to living in apartments. We would say they should be part of the housing mix.

A study was done, in Thunder Bay I believe, with regard to the cost of a mobile home versus a single-family dwelling unit. The title of that is "Mobile Homes in the Rural Environment." It is a report by the

Lakehead Planning Board prepared as late as September, 1976. It showed that the average cost of purchasing and maintaining a three-bedroom home was $311.56 per month. For a three-bedroom mobile home the cost was $256.74, or only about four-fifths as much as a single-family dwelling unit. So there is a real argument that people who want a housing unit of their own may be able to purchase a mobile home which is satisfactory to them when they couldn't purchase a single-family dwelling unit.

[3:45]

The second point I want to make about the need for these amendments is that the use of mobile homes is escalating very dramatically. In 1974, 13 per cent of all the new housing starts in Canada were mobile homes. We produced 1,562 mobile homes in this county in 1963. In 1974, we produced 28,690, of which 4,763 were double-wides, which are almost the equivalent to a standard single-family dwelling unit.

I have to say that Ontario is lagging very far behind the other provinces in its residents' use of moble homes. In fact, I think the ratio to population in Ontario is the lowest of any of the provinces in Canada and far below a place like British Columbia, although admittedly it has a different climate to what we have in this province.

The style, the size and the quality of mobile homes are changing. I think that's obvious. I don't have to document that point. We are moving into the double-wides, which are much longer and they are satisfactory residential units. They are also becoming permanent residences to a much greater degree. I think it's perhaps unnecessary to document that one either. If you look at the parks, you realize they are there to stay for a long period of time. Those people living there are permanent citizens of the community, almost to the same extent as people who live in single-family dwelling units and even more so than those who live in apartments in the same community.

We need a changed approach and changed legislation to deal with what is happening. To meet the very real need to promote the acceptability to the councils of units in their areas and certainly to the public, as well as to mobile home owners and prospective mobile home owners, we need changes in legislation to make this acceptable all around.

Let me say immediately that I believe there ought to be much more in the way of development of municipal mobile home parks. The government of this province should be promoting those as a very real alternative and—

Mr. Deputy Chairman: Order, please. I fail to see where your debate at this time refers specifically to this amendment.

Mr. Swart: I think you will in a moment or two, Mr. Chairman. I have to put this in perspective.

Mr. Deputy Chairman: The Chair will wait patiently. Would you proceed?

Mr. Swart: I would point out that the now Provincial Secretary for Resources Development (Mr. Irvine) stated on July 4, 1975, when he was Minister of Housing: "The ministry will be actively involved in the development of at least one mobile home community under the new planning legislation and design criteria."

I would ask the member for Kingston and the Islands, when he winds up the debate on this, as I assume he will, if he can tell me where that one is located. I think perhaps I had better come back to that, because the former Liberal member is talking to the member for Kingston and the Island. Could I have the attention of the member for Kingston and the Islands?

I quoted a statement by the then Minister of Housing on July 4, 1975, in which he said: "The ministry will be actively involved in the development of at least one mobile home community under the new planning legislation and design criteria." Would you, when you wind up the debate, tell me where that community is that he promised to be actively involved in at that time, on july 4, 1975?

There are many other measures relating to mobile home parks that I would like to cover, but I want to deal with just one—the amendment to provide the property tax revenue on the same basis as derived from the real property, and I'm sure you see now, Mr. Chairman, where I was leading up to this point.

There is a move, admittedly, here in Ontario, to assess mobile homes. Most other provinces do. In fact, five of the other provinces use the method of assessment of mobile homes exclusively. There are some of the provinces which still use a fee basis and an assessment basis, either together or separately, depending on the type of mobile home.

I suggest—and perhaps I'm being presumptuous, but probably there is no one in this House who would disagree with me—that the assessment basis is the fair way. For some reason this province has refused or neglected to change The Assessment Act and I say this is inexcusable. Just a few weeks ago we had

Bill 133 before us, which was a bill to amend The Assessment Act, and if the province was serious about using the assessment provisions, in the light of what happened in the Vannini case at Sault Ste. Marie and so on they would have brought in amendments so that there would be no doubt that they would have the right to assess mobile homes on the same fundamental basis as other residences are assessed.

I think my colleague the member for Algoma (Mr. Wildman) might have more to say on that particular case and the situation up there, so I'm not going to dwell on it at any length. But I want to say—because this apparently has not happened up there or in other areas where they are now assessing the mobile homes—that the assessment must be fair in relationship to other mobile homes which are still paying the fee, and it must be fair in relationship to other residences.

The amendment which we propose accomplishes this in a very successful way until The Assessment Act is in fact changed. Our amendment provides that the licence fee which would be paid by a mobile home owner would be the same as if he was taxed.

In other words, the property would be assessed and then he would pay an amount in a fee equal to what he would pay if he was assessed, and therefore there will be no discrimination if that's done fairly between mobile home owners who are assessed and those who aren't assessed, and the fine line now, as I'm sure all members know, is pretty difficult to draw under the present Act.

The second point I want to make with regard to the amendment is that it will ensure that the revenue from mobile homes will be divided the same as other taxation. It will go to school boards or to the region or to whatever bodies derive support from municipal taxation.

Another worthwhile section of our amendment is that it provides that it will be an occupancy tax and will only be levied when the lot is actually occupied by a mobile home.

Under present legislation it matters not whether there is a mobile home on the lot. The owner of the mobile home camp or park, whatever you wish to call it, must pay so much per lot, up to $20 per lot. The result is that this is passed on to the mobile home dwellers or owners who are there, and if it is only two-thirds full then there is a 50 per cent increase in the amount they have to pay toward this licence fee because the other lots aren't filled. Unlike taxation, it will be paid in advance if they move out, and there is this advantage.

I say to the member for Kingston and the Islands and to the members of the Liberal Party that this seems like a reasonable interim measure to give some further degree of fairness in levies on the mobile home population. I say it may be considered interim. I am not at all sure but what it may be a measure that you would want to incorporate on a permanent basis, because there is always going to be some difficulty between a mobile home which is on wheels and in fact is mobile and one that is set on blocks and connected to the water and sewers. This way, even if it is in fact a mobile home, not a permanent structure, you will assess it in levy costs against it for the municipality in exactly the same manner as a mobile home which is on a more permanent basis.

For all of these reasons, I would urge the members of this House to unanimously support this amendment.

Mr. Eakins: Is there a quorum in the House? It seems that we should have a quorum when we are listening to an important discussion such as this.

Mr. Deputy Chairman: The clerk will take the count.

Mr. Deputy Chairman called for the quorum bells.

On resumption:

[4:00]

Mr. Good: Dealing with the amendment before us, I must confess I may not be perfectly clear on all aspects of it.

As I understand it, over the past six or eight years we have gone through a great many variations and amendments dealing with trailers and mobile homes in parks and camps. Those designated as trailers in a trailer camp pay no licence fee, nor do they pay assessment. The owner just pays a tax on the property. I believe that is correct.

Those who were in mobile homes, living there over 60 days on a permanent basis, used to pay a $20 assessment, a $20 licensing fee per month to the municipality. Some smart assessor got the idea a few years ago that these mobile homes could be assessed as real property and he won his case in court and before long many municipalities were jumping into the action. We then found that mobile homes were not only paying licence fees, but they were also being required, through the owner of the camp, to pay a property tax because they were assessed.

The courts upheld the fact that mobile homes once established on a permanent

basis as a permanent residence could be assessed under The Assessment Act as real property. So we ran into the dilemma then that some people in mobile home parks were not only paying licensing fees, but they were also being assessed and paying property tax. That is why we finally got this amendment in this section which says no licence fees shall be charged in respect of a trailer assessed under The Assessment Act. And that was put in not too many years ago.

I must confess I was not aware that there are still mobile homes that are not assessed.

Mr. Wildman: Oh many.

Mr. Good: All the mobile homes in my particular community are assessed under The Assessment Act.

Mr. Ruston: So are ours.

Mr. Wildman: Not ours.

Mr. Good: If there were some mobile homes that were not assessed it didn't take them long to make the necessary changes on their undercarriage by blocking them in, or closing them around and hooking them up, so they did become available for assessment; because invariably in the area with which I am familiar it was more advantageous to be assessed and pay the municipal tax than it was to pay the $20 a month licensing fee. I think the $20 a month licensing fee did in fact reflect a fairer return to the municipality than many of the revenues generated from assessment.

Incidentally, Mr. Chairman, as I understand it the licensing fee now is required to be divided with the board of education of the area on the same basis as other tax revenues and that requirement is under The Education Act. I looked into that matter a few years ago. So any licensing fees collected by a municipality must be distributed to the county board within that area on the same basis as other revenues are divided.

My problem is with the proposition that we are talking about mobile homes or trailers that are not assessable under The Assessment Act and that their licence fee be equal to the prorated amount of taxation that would apply if the trailer were eligible for assessment. How do you assess a non-assessable item such as a mobile home? This would be a problem as far as I am concerned.

Evidently, according to the member for Algoma, there are a lot of trailer mobile homes being licensed rather than assessed. If that is the case there probably is a problem where they are paying more by the $20 licence fee than they would be if they were assessed. But if they are not eligible for assessment—and assessment as we knew it then was one thing and assessment as we have it in the areas, say, of Grey and Bruce and East Parry Sound and Carleton, where market value assessment was taken over is another matter. So before I would know whether we could support this I would have to know whether there is any mechanism whereby an assessment figure could be placed on a mobile home which is not eligible for assessment under The Assessment Act.

That is as far as I want to go right now before I decide.

Mr. Wildman: I'm glad to be able to participate in this debate on the amendment. About 12 per cent of all the mobile homes in the province are in the district of Algoma. In the unorganized areas north of Sault Ste. Marie at the present time there are at least about seven or eight mobile home parks. The mobile homes within those mobile home parks are still being licensed, but they are not now assessed. The assessment department is in the process of beginning to assess these homes, but as of this date they are still paying licence fees.

This leads to a very unusual situation for the mobile homes within the city boundaries of Sault Ste. Marie. There are three small parks within the city boundaries. Up until this year they were also under a licence fee but, as of January 1, 1976, they were assessed and their taxes were determined on the assessment. We had the situation where mobile homes within parks within the city of Sault Ste. Marie were being assessed, while the large number of mobile homes in the many parks north of the Sault within a few miles were under a licence fee. This led to a number of problems which I'd like to lay out before the committee and see whether or not we can reach some conclusion as to accepting this amendment.

It appears that either TEIGA does not really know what the Ministry of Revenue is doing or perhaps the Minister of Revenue (Mr. Meen) doesn't really know what his assessors are doing in the district of Algoma. As has been pointed out, before the early 1970s licence fees were standard throughout the province for mobile homes. These licence fees very seldom had any relationship to the real value of the home. They were just set arbitrarily and they could be raised arbitrarily, although they weren't for a long period of time. Then in one jump in the early 1970s they doubled.

When the assessment department began assessing the mobile homes, one of the owners of one of the parks north of the Sault went to court and appealed this assessment. Judge Vannini ruled that a mobile home with the wheels attached and which was not on a permanent foundation was not a permanent residence and therefore, was not eligible for assessment. It was a vehicle and therefore it should be licensed.

I'm not sure what happened in the rest of the province, but after that, in the district of Algoma they went back to licensing rather than assessment. In the area north of the Sault there was no municipal organization so the tax collector there is the board of education. The Sault Ste. Marie and district board of education levied a licence fee. That's the way it remained both in the city and outside the city until this year when the three parks within the city boundaries were assessed.

I want to point out that I am certainly not opposed to the assessment of mobile homes. I'm in favour of that because then there is some way the homeowner can determine whether or not his taxes are fair and he can appeal if he thinks they are unfair. The licence fee has no relationship necessarily to the value of the home and in that sense is somewhat unfair for determining taxation.

I've raised this issue a number of times in the House. Early last spring one of the mobile home tenants' associations in Sault Ste. Marie contacted me and told me that they had been licensed up until that time but now they had been assessed. They felt the assessments that were arrived at were too high and they wanted to know what legislation there was determining how mobile homes should be assessed and so on. I asked the Minister of Revenue if he could clarify the situation during the discussions of his estimates and I asked him if the Vannini decision was being followed.

In response, the minister stated that if a mobile home was still on its wheels it was not assessable for realty purposes but was subject to a licence fee. Most of the mobile homes in my area, although they are blocked and skirted, still have the wheels and the chassis attached. Most of them are not on permanent blocks which are cemented in or anything; they are on wooden or cement blocks which can be removed easily. That would indicate, if the wheels were still attached and it wasn't assessable, that most of the mobile homes in the area would not be assessable.

As a result of that situation, I informed the tenants' association which then contacted the Minister of Housing (Mr. Rhodes). Someone in the minister's constituency office—I believe it was in April—indicated to them that the government believed that assessment was permissible on mobile homes, which seemed, at least, to contradict the statement made by the Minister of Revenue in the House and a statement he had made in a letter to the tenants' association.

To try to straighten this out, I met with the association and the park owner. They told me at that meeting that they had been informed by the assessors that if they didn't like being assessed or if they didn't like the amount of the assessment, they would have to appeal. They launched an appeal in the assessment appeal court and that tribunal ruled that they did not have the right to rule on the legality of assessing or not assessing mobile homes which I would agree is correct. It is not their role.

They were told they would have to appeal to the divisional court which they have done and that case is to be heard in January, 1977. At the assessment appeal court the tenants were informed that assessors could not compare and should not compare mobile homes and houses when assessing; nor should they even compare mobile homes to double-wides.

Mr. Chairman: Is the hon. member for or against the amendment?

Mr. Wildman: I'm in favour of the amendment, sir. I'm trying to explain the problems with this whole thing. As I said at the beginning it doesn't appear that TEIGA knows what the Ministry of Revenue is doing; for that matter Revenue doesn't know what it is doing.

Mr. Conway: It's just another motherhood speech for Algoma.

Mr. Wildman: Motherhood is still alive and well in Algoma.

Mr. Conway: Quite obviously.

Mr. Wildman: Seriously, Mr. Chairman, I think this is a very difficult and complex subject and one which I am not treating facetiously. I don't know the answer to this whole problem. I don't know why mobile homes in Algoma have been treated differently from mobile homes outside that district in other parts of the province; why they have been licenced until now and are only now being assessed.

Nor for that matter do we know of any guidelines on which assessments can be determined, which makes it very complex. I really don't know the answer. The problem with mobile homes, of course, is that it is

very hard for the assessor to determine its value because mobile homes don't appreciate in the same way as houses tend to in our inflationary housing market. They often tend to depreciate in value.

I contacted the Minister of Revenue again for clarification. One June 16, the minister wrote to me and stated that he had contacted the assessment commissioner in Sault Ste. Marie to investigate the matter of assessment of mobile homes in the park. He stated, "He reports that to the best of his knowledge all the trailers in that particular park are assessed as real property," which I knew.

[4:15]

Then he states that the assessments are made in accordance with Judge Vannini's decision. He attached, very helpfully, a list of questions which he said the assessors used to determine whether or not the home was permanent. On the list there are 14 questions and I won't go through them here because I know the problem of time. He stated that the assessors asked the mobile home owners these questions and since most of them had been answered in the affirmative the homes were determined to be permanent and therefore subject to assessment.

I wrote the minister then and asked him if he intended to publish this list of questions for a permanency test, which would let mobile home owners know exactly where they stood in regard to assessment. He never answered that question.

I also asked how many of the 14 questions had to be answered in the affirmative for the assessor to determine that the home was a permanent one and thus could be assessed. As yet, I have not received an answer to that question.

I sent the list of questions to the tenants' association and they wrote back and informed me that although the minister had said the assessor had asked them these questions, they had never been asked these questions. As a matter of fact, most of the home owners in the park weren't even aware of when the assessor had visited the park. They sent me a list of their answers to the questions which were substantially different from those of the assessor.

I again wrote the minister and asked for clarification. I didn't get a reply to that but in September the tenants' association was visited by the regional assessor and his interpretation of foundations and wheels appeared to be very different from Judge Vannini's. He aslo stated that most of the questions in the permanency test were irrelevant in determining whether or not a mobile home could be assessed. This left the tenants very confused to say the least. It also left me very confused.

I want to point out that neither the tenants nor I—nor anyone else in this House probably—are opposed to assessing mobile homes. It is a fair way of determining taxes for mobile homes.

I received a letter from the tenants which ends, "As mobile-home owners we are not opposed to assessment itself but we emphatically oppose the means that have been devised in an attempt to classify us as permanent dwellings. We feel that since mobile homes as such are not mentioned in The Assessment Act, we should have at least the right to seek, in writing, legislation recognizing the special status of mobile homes wherein guidelines pertaining to their assessment would be clearly stated. This should be done before we are asked to pay taxes like other home owners and this would then grant us the rights and privileges enjoyed by other home owners and taxpayers in the province."

I agree very much with that but since we are presented at this time with this bill which pertains to a possible licence fee and since it states further on in the bill that no licence fee shall be charged for temporary occupancy by persons who continue to maintain elsewhere a usual or normal place of residence, I don't feel that our amendment affects transient people in trailers. Our amendment is to deal specifically with people living in permanently or almost permanently-placed homes in parks.

It is to set up a way which, hopefully, will let tenants know exactly how their taxation is to be determined so they will have some idea about how taxes are determined for them. They won't have an arbitrary licence fee which has no relevance to the value of their own home. They will have some indication and should be able to appeal if they think the assessment or the taxation is too great because it's based on an inflated assessment.

I don't know how the ministry determines that some homes are assessable and others aren't. It's our position that when they are deemed to be unassessable at least the licence fee should be determined in a fair way.

I understand that the Minister of Revenue and the Minister of Housing met the tenants' association in September and at that meeting the Minister of Revenue admitted that the homes in that particular park were assessed improperly and he ordered a re-

assessment. He stated that he didn't feel any changes in The Assessment Act were required to enable them to assess mobile homes.

The assessment department now is going ahead with the assessing of mobile homes throughout the area and the case before the courts is being continued. I feel that guidelines are needed to ensure fair taxation of mobile homes, taking into account their size as compared to houses, their value and also the fact that they depreciate in value. I would hope that the members would accept this amendment as a step towards that. Licence fees, if they are charged, should not be arbitrary but should be related to the value of the home.

Mr. Swart: May I speak again very briefly? I rise again because the member for Waterloo North raised a question. I'd like to reply to it and in fact, when I was speaking previously, I didn't touch on the mechanics of the application of this amendment.

I think it can be said that there is no real problem at arriving at the value of a mobile home. That is not the question on whether they can be assessed or not. The question is whether they fit under the existing Act. It would be my belief that if this amendment were passed the assessors then would place a value on all mobile homes in the province, the municipality would be notified of those values and they then would levy a fee against the owner of the mobile home park or against the owner of the mobile home, if it wasn't in a park, related to the tax rate in that municipality and the value of that home.

I would point out at the present time that mobile homes are the only class of residences in the whole province—in fact the only class of property in the whole province—where the taxes which they pay—in effect that's what the fee is, it is a tax—are not based on the value of the property in some way. I suggest this is an injustice one way or the other. Some may gain by it, some may lose by it, but it is an injustice that ought to be corrected.

I think that we have to recognize too that mobile homes are becoming, as has been said, more and more permanent. Very few mobile homes are moved in one month and moved out the next. They're usually there for a substantial period of time and there would be the opportunity to assess them. I would also point out there is a provision in the amendment that the first month does not need to be paid in advance.

I believe that there's a tremendous hassle and injustice at the present time. Certainly my colleague from Algoma has pointed out the difficulty that they're having. If we adopted this amendment, it wouldn't much matter any more whether that mobile home was assessable under the details of The Assessment Act or not. They in fact would pay the same amount to the municipality, whether assessed or whether they paid it through a fee. Because it is, I think, much more fair, more equitable to all taxpayers, I would urge the members of this House to support this amendment.

Of course, there are some mechanical problems to it. There are mechanical problems to collecting fees, but I suggest that they're not serious enough that we should throw out the principle of this amendment which, I suggest, is sound.

Finally, just let me say that I certainly have no axe to grind in my area. There is no mobile home in my area. I have no party axe to grind in this, if I may put it that way.

Mr. Conway: Quite a change.

Mr. Swart: I think this is just justice and I think that all the parties in this House should be willing to accept it.

Mr. Norton: Perhaps before dealing with the principles that are involved in this amendment, I might just ask if the hon. member for Welland-Thorold would mind redirecting his question with respect to a statement made back in 1975 in the House by the present Provincial Secretary for Resources Development to that minister in the House during question period.

Not only was I not in the House at the time, I am not familiar with the details of the statement to which he referred and I think the question would be better directed to the minister himself.

It seems to me that when we are looking at the content of this amendment, there are two aspects we have to consider. I think first of all I would like to direct my comments to the question of the tax and the assessment of mobile homes.

Recognizing that there are grey areas, nevertheless it is our position that mobile homes which are occupied on a permanent basis, are in fact taxable in the province. Now there are grey areas and as has been pointed out by the hon. member for Algoma there is a case presently before the courts which may throw some light on this matter and may, in fact, cause the Legislature or the

government to have to take some additional action, depending on the outcome of that case.

But the point is that there is a basis upon which to assess and tax those mobile homes that are of a more permanent nature. And contrary to what the hon. member has suggested, it is based upon value. It is based upon the value of the property.

Here in this particular section we are referring to the licensing of mobile homes. I think it would be those mobile homes that are obviously of a less permanent nature that would be contemplated here.

Take, for example, the complexity of applying your amendment to a situation where say, construction workers moved into a community for a period of a few months; that would clearly be in excess of 30 days. Say they were living in mobile homes. Now under this amendment it would not be possible, I suggest, to charge them a licence fee for that period of time.

Mr. Swart: Oh yes it would.

Mr. Norton: It would still be a licence fee, but under your formula it would be necessary for the assessment commissioner or his staff to go out to assess the value of that mobile home, work out the formula and calculate a monthly rate based on an annual tax base before any fee could be charged. I suggest that in some cases those people could be moving in and out before they could ever get the calculations completed. It unnecessarily complicates some situations by trying to make it too simple in its application on a broad basis.

If there are problems in terms of the assessment aspect of this—and let's direct our attention to that—under the proper legislation let's get that cleared up. Maybe if there is a decision rendered in the case in January it will give us some indication of the direction we have to follow. At the present time we maintain the position that those homes of a more permanent nature are taxable and that to confuse the situation—and with respect, I think it might well do that if this amendment were passed—it would be impossible to make the distinction between licensing and taxing. Even though you may call it licensing, in effect you're still taxing because you have to go through the procedure of assessing and—

Mr. Swart: That's the purpose of it.

Mr. Norton: Right. But that is possible now and all I'm saying is that it would complicate, I think, the area that is contemplated here—those mobile homes which are not presently assessable under the law of the province.

For that reason I couldn't accept the amendment. I think that it would further complicate what has already been indicated is a rather complicated area of assessment. Therefore I would ask that the members of the House, bearing that in mind, not support the amendment on this section that is before the House.

[4:30]

Mr. Ruston: I have, I suppose, one of the largest groups of mobile homes in western Ontario right in my own riding. I suppose we have about 150 in each park. We have somewhere around 500 in total. I understand all of them now are under The Assessment Act.

What concerned me in this amendment was the wording of it. How can you assess something when it is not assessable? As one of the previous speakers said, the judge said they were not assessable because they were on wheels. In here you say the licence fee shall be equal to the pro-rated amount of municipal taxation. I don't know who is going to decide that unless you make them assessable.

It seems to me the key thing that has to be done is that either the law will have to be changed or a different interpretation of it made in some areas of the province so that we are using the same law in all the province. I was under the impression we were, but apparently we are not. This should be righted. But I think the way the wording is here would probably complicate things more than they are at the present time.

Mr. Good: I want to commend the member for Welland-Thorold and the member for Algoma for trying to do something to correct what I think must be a rather isolated problem in Algoma, from what I am aware of and the member for Essex South and other people I have spoken to just this afternoon have said.

I would like to have a commitment from the parliamentary assistant that if the court findings do show a lack in The Assessment Act, we could get some kind of commitment that he could exert every pressure he could on the Minister of Revenue to get that corrected. I think we are now back in a bind where we were a year or so ago when we had to amend The Assessment Act to prevent the double taxation. We have been kicking the matter of trailers and mobile homes around as long as I have been here for the last nine years.

Another problem that has occurred to me concerns those unassessable mobile homes. If a value were put on them even by an assessor they could not appear on the assessment rolls of the municipality. There would be no process for appeal against that assessment that was put on them. It would be just a matter of being at the mercy of someone or the municipality, whoever happened to put a value on that particular home. When you are paying a fee you know what it is; the maximum is designated as $20 a month. If you are being taxed on an assessment which is not an official assessment, you can't appeal it to anyone; you are stuck with that.

I would feel much more comfortable with an amendment that would make sure all the mobile homes in the province were going to be assessed. I would think that is the route we should be taking rather than this particular method.

Mr. Wildman: Mr. Chairman, I appreciate the comments of the members. If the amendment is not accepted by the House or is not passed by the House, I would certainly request, along with the member for Waterloo North, a commitment from the government that it will ensure that these anomalies don't continue, and that The Assessment Act, if it requires changing in order to cover all permanent mobile homes, will be changed.

In the interim, I would request the House to consider accepting the amendment to try to ensure a fair basis on which to determine what is in essence taxation for mobile-home owners.

Mr. Norton: I must point out to the hon. members something which I did point out earlier on second reading, and that is that the whole question of fees, including this, is under review at the present time by a committee including members of the PMLC. I would hope these fees would be looked at as part of the total policy question of fees chargeable by municipalities. I will certainly undertake to relay the concerns that have been expressed this afternoon to the members of that body when I meet with them next.

With respect to the requests that I make a commitment on behalf of the government, I am sure the members opposite realize I am not in a position to commit the government on this matter. I am sure that such a commitment is really not necessary and the hon. Minister of Revenue, pending the outcome of that case, will take whatever action is necessary to clarify the situation.

Mr. Swart: I, too, would like to see The Assessment Act cleaned up in this regard but I would suggest to this House and to the members on the left that the fastest way of doing it is adopting this kind of an amendment.

Mr. Ruston: Not with the wording in that.

Mr. Swart: It will largely eliminate the injustices now and, I think, cause the government to take some pretty speedy action on it. I suggest that's the best way of doing it.

Mr. Ruston: You had better get the member for Riverdale (Mr. Renwick) to look over the wording.

Mr. Chairman: All those in favour of Mr. Swart's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the "nays" have it.

Shall we stack it?

Agreed.

Mr. Chairman: Are there any comments or amendments to any other section of the bill prior to section 19? If so, what section?

Mr. Swart: Mr. Chairman, to section 15.

Sections 11 to 14, inclusive, agreed to.

On section 15:

Mr. Swart: Mr. Chairman, you were not in the chair at the time, I believe, when we started to deal with the previous amendment which was to section 10. I made the statement at that time that there were two similar matters. Section 10 dealt with mobile homes outside a mobile home park and this deals with mobile homes within a mobile home park and the assessment of the fee.

I think the discussion that took place by everyone covered the principle of both and I will just now move this motion and make no further comments on it.

Mr. Chairman: Mr. Swart moves that section 15 of the bill be struck out and the following inserted in lieu thereof:

"Paragraph 15 of section 383 of the said Act, as amended by the Statutes of Ontario, 1971, chapter 81, section 4, 1972, chapter 124, section 14, and 1974, chapter 136, section 19, is amended:

1, by striking out 'and for designating areas of land to be used as tourist camps, trailer camps or motels, and for prohibiting the use of other land for such purposes' in the

second, third and fourth lines, so that the paragraph, exclusive of the clauses, reads as follows: '15. For licensing, regulating and governing tourist camps, trailer camps and motels;'

2, clause (b), of paragraph 15 of the said section 383, is repealed and the following substituted therefor: (b) Any bylaw passed under this paragraph may, among other things,

"i. require trailer camps to be divided into lots, each to be made available for the occupancy of one trailer;

"ii. require an occupancy licence fee payable monthly by the owner of the trailer camp for each such lot occupied by a trailer and the licence fee except for the first 30 days, may be made payable in advance,

"iii. notwithstanding that the trailer may not be assessable under The Assessment Act, the licence fee shall be equal to the prorated amount of municipal taxation that would apply if the trailer were eligible for assessment under The Assessment Act.

"iv. no licence fee shall be charged for temporary occupancy by persons who continue to maintain elsewhere a usual or normal place of residence or for occupancy by trailer that is assessed under The Assessment Act.

"v. such occupancy licence fees shall be apportioned among the bodies on which a municipality is required to levy a rate in the same proportion that municipal taxes levied in the preceding year on residential assessment for each such body bear to the total taxes levied in the preceding year on residential assessment for all purposes."

Mr. Swart: May I make one further comment. I admit that the wording in these amendments is complex but unfortunately it had to be to introduce the principles, the details, we wanted introduced. I would say to the member who questioned the wording that there was consultation with the legislative consultant on this. Much of the wording was done by him and therefore I would say that the wording is correct and appropriate.

Mr. Chairman: Does any other member wish to speak to the amendment?

The hon. member for Kingston and the Islands.

Mr. Norton: I might just say that I think that the principle involved in this amendment is the same as in the last one that we were dealing with and our position would be the same for the very same reasons.

Mr. Chairman: All those in favour of Mr. Swart's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the "nays" have it.

Shall we stack it? Sections 16 to 18 inclusive agreed to.

On section 19:

Mr. Chairman: Mr. Norton moves that the bill be amended by adding thereto the following section: "19. Subsection 1 of section 553 of the said Act as re-enacted by the Statutes of Ontario, 1976, chapter 51, section 16, is repealed and the following substituted therefor:

"(1) not withstanding any special Act but subject to subsection 2, the treasurer, collector or county treasurer as the case may be shall add to the amount of all taxes due and unpaid interest at the rate of one half of one per cent per month for each month or fraction thereof from the 31st day of December in the year in which the taxes were levied until the taxes are paid provided that the council by bylaw may increase such rate to a rate not exceeding one per cent per month.

"(2) notwithstanding subsection 1 or any special Act, the council of a local municipality may, by bylaw, require that the treasurer, collector or county treasurer as the case may be add to the amount of all taxes due and unpaid interest at such rate not exceeding 12 per cent per annum as the council determines from the 31st day of December in the year in which the taxes were levied until taxes are paid.

"(a) No interest or percentage added to taxes shall be compounded.

"And that sections 19 and 20 of the bill be renumbered as sections 20 and 21 respectively."

Mr. Good: I just have a question, Mr. Chairman. Is this the amendment that was necessary to clarify the procedure whereby people could get away with just adding one day's interest to their taxes if they were one day late rather than one month? I understand that this situaion had arisen and because of the wording of the present amendments we had put in, interest was just being added for a certain number of days. Is this going to correct that situation?

Mr. Norton: I am sorry, I am not sure that I heard all of what you said but if my answer doesn't answer the question you asked, stop me.

If you recall, back in the spring session this year, this Legislature passed an amend-

ment that changed the basis upon which municipalities would collect the penalty or interest for overdue taxes. Because of the complexity that created for some of the very small municipalities when they were faced with the necessity of calculating a per diem rate of interest as opposed to a penalty that could be imposed on a monthly basis, at the request of the municipalities and the AMO what we have done in these amendments is to reinstate for them the earlier possibility. They have the option now of either charging 12 per cent per annum or one per cent per month; the option would be open to them.

This particular amendment that we are dealing with now does not deal specifically with the collection of overdue taxes within the year in which they are owing, but it is a necessary amendment to be consistent, because what it does is it deals with taxes after the 31st of December in the year in which they are owing. In other words, the same provisions would apply into the succeeding year if taxes remained outstanding.

Does that answer your question?

[4:45]

Mr. Chairman: Any other comments on the minister's amendment?

Section 19, as amended, agreed to.

Mr. Chairman: Any other comments on any other section of the bill?

Mr. Norton: If we are going to proceed with the other bills, there may be other amendments. There is The Regional Municipalities Amendment Act—

Mr. Swart: We have no other amendments.

Mr. Norton: You have no other amendments? We have one additional amendment in one of the other pieces of legislation, I believe. We aren't anticipating that it will give rise to a division but it is possible; perhaps you would like to deal with it now and have them all stack at the same time.

Mr. Chairman: What bill do you want to deal with?

Mr. Norton: Would it be possible to deal with them in the order in which they appear on the order paper?

REGIONAL MUNICIPALITIES AMENDMENT ACT

House in committee on Bill 150, The Regional Municipalities Amendment Act, 1976.

Sections 1 to 11, inclusive, agreed to.

On section 12:

Mr. Chairman: Mr. Norton moves that the bill be amended by adding thereto the following section:

"12. Section 2 of The Regional Municipality of York Act, being chapter 408 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1972, chapter 78, section 1, is further amended by adding thereto the following subsections:

"2(a). On the first day of February 1977 the corporation of the township of East Gwillimbury is erected into a town municipality being the name of the corporation of the town of East Gwillimbury;

"2(b). Sections 17, 19 and 22 of The Municipal Act apply mutatis mutandis in respect of the erecting of the corporation of the township of East Gwillimbury into a town municipality;

"2(c). A reference in this or any other general or special Act to the corporation of the township of East Gwillimbury or to the township of East Gwillimbury shall be deemed to be a reference to the corporation of the town of East Gwillimbury and to the town of East Gwillimbury respectively; and that the remaining sections of the bill be renumbered accordingly."

The hon. member for Kingston and the Islands said "the first day of February 1977." Did he mean that or was it of January?

Mr. Norton: The first day of January, Mr. Chairman. Thank you very much for correcting me.

Section 12, as amended, agreed to.

Section 13 to 62, inclusive, agreed to.

Bill 150, as amended, reported.

MUNICIPALITY OF MUSKOKA AMENDMENT ACT

House in committee on Bill 151, An Act to amend The District Municipality of Muskoka Act.

Bill 151 reported.

MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

House in committee on Bill 152, An Act to amend The Municipality of Metropolitan Toronto Act.

Bill 152 reported.

COUNTY OF OXFORD AMENDMENT ACT

House in committee on Bill 153, An Act to amend The County of Oxford Act, 1974.

Sections 1 to 5, inclusive, agreed to.

On section 6:

Mr. Chairman: Mr. Norton moves that the bill be amended by adding therto the following section:

"6. Subsection 1 of section 43 of The Public Transportation and Highway Improvement Act shall be deemed not to apply to the county; and that section 6 and the remaining sections of the bill be renumbered."

Mr. Norton: Perhaps I might explain briefly why this amendment is being introduced. In each of the regional bills and in The County of Oxford Act we have an amendment that eliminates the mandatory requirement that a municipality appoint a civil engineer as the superintendent of roads. Because of the status of the county of Oxford as a county, it is subject at the present time to the cited section in The Public Transportation and Highway Improvement Act which places upon it certain requirements with respect to a civil engineer being the superintendent. In order to be consistent the amendment was introduced to give it the same authority as the regional municipalities, for example. And recognizing its status as a county, we have introduced this amendment so as to exclude it from the application of the provision of The Public Transportation and Highway Improvement Act.

Mr. Good: Does the member for Oxford (Mr. Parrott) approve of this amendment?

Mr. Norton: I am sure he is wholeheartedly in support of it.

Motion agreed to.

Section 6, as amended, agreed to.

Sections 7 to 15, inclusive, agreed to.

Bill 153, as amended, reported.

Mr. Chairman: Call in the members. There is a division on Bill 149.

On resumption:

Mr. Chairman: We have three amendments to Bill 149 and it's agreed that the Chair should put them all at once.

Mr. Swart moved that subsection 1(a) of section 296 of the Act as set out in section 5 of the bill be struck out and that subsection 1(b) be renumbered as subsection1.

Mr. Swart further moved that clause (c) of paragraph 87 of subsection 1 of section 354 of the Act as set out in subsection 7 of section 10 of the bill, be amended by striking out "but no licence fee shall be more than $20 per month" in the fifth and sixth lines, and the following inserted in lieu thereof, "and notwithstanding that the trailer is not assessable under The Assessment Act, the licence fee shall be equal to the pro-rated amount of municipal taxation that would apply if the trailer were eligible for assessment under The Assessment Act. Such licence fee shall be apportioned among the bodies for which the municipality is required to levy a rate in the same proportion that municipal taxes levied in the preceding year on residential assessment for each such body bears to the total taxes levied in the preceding year on residential assessment for all purposes."

Mr. Swart further moved that section 15 of the bill be struck out and the following inserted in lieu thereof:

"15 (1). Paragraph 15 of section 383 of the said Act, as amended by the Statutes of Ontario, 1971, chapter 81, section 4, 1972, chapter 124, section 14, and 1974, chapter 136, section 19, is amended by striking out 'and for designating areas of land to be used as tourist camps, trailer camps or motels, and for prohibiting the use of other land for such purposes' in the second, third and fourth lines, so that the paragraph, exclusive of the clauses, reads as follows: '15. For licensing, regulating and governing tourist camps, trailer camps and motels.'

"Clause (b) of paragraph 15 of the said section 383 is repealed and the following substituted therefor: '(b) Any bylaw passed under this paragraph may, among other things,

'i. require trailer camps to be divided into lots, each to be made available for the occupancy of one trailer,

'ii. require an occupancy fee payable monthly by the owner of the trailer camp for each such lot occupied by a trailer and the licence fees, except for the first 30 days, may be payable in advance,

'iii. notwithstanding that the trailer may not be assessable under The Assessment Act, the licence fee shall be equal to the prorated amount of municipal taxation that would apply if the trailer were eligible for assessment under The Assessment Act,

'iv. no licence fee shall be charged for temporary occupancy by persons who con-

tinue to maintain eleswhere a usual or normal place of residence or for occupancy by a trailer that is assessed under The Assessment Act,

'v. such occupancy licence fees shall be apportioned among the bodies for which the municipality is required to levy a rate in the same proportion that municipal taxes levied in the preceding year on residential assessment for each such body bears to the total assessment levied in the preceding year on residential assessment for all purposes.' "

The committee divided on Mr. Swart's amendments which were negatived on the following vote:

Ayes 28; nays 64.

Bill 149, as amended, reported.

On motion by Hon. Mr. Handleman the committee of the whole House reported three bills with amendments and two bills without amendments, and asked for leave to sit again.

Report agreed to.

[5:30]

Mr. Speaker: Just before we call the next order of business I beg to inform the House that the notice of dissatisfaction to a response to a question to the Minister of Colleges and Universities previously filed by the hon. member for Scarborough-Ellesmere has been withdrawn at the request of the member for Scarborough-Ellesmere.

Mr. Warner: On a point of order, I think it should be noted that I withdrew it so that the minister could retain the commitments that he had made in his own riding for this evening and that the matter will be dealt with at a later date.

House in committee of supply.

SUPPLEMENTARY ESTIMATES, MINISTRY OF HEALTH

Hon. F. S. Miller: When this House last debated the Health estimates for the fiscal year 1976-77 in June, we were dealing with a total of $3,374 billion. In view of the discussions taking place at that time, I doubt if it will be a great surprise that it is now necessary to present supplementary estimates totalling approximately $117 million, covering items where developing circumstances have dictated certain adjustments.

Before going into detail, I can tell you in general the need for these supplements will be found to be due to one or more of only three causes. The first one, for which we have to accept most of the responsibility is that in some budgeting areas we were too optimistic about the time elapsing before our major programme of restraints would take full effect. In other words, although we are now saving money, we did not start to do so as early as hoped. In the second case, which is more serious in its effect, about half of the total of the supplementary amount is attributable to the fact that, like other people, we put a literal interpretation on Ottawa's anti-inflation guidelines.

The salary awards that recognized the catch-up principle to be exercised before the AIB rules were applied were simply not anticipated. And I do not see how they could have been. As a result, in certain areas the constraints measures we had proposed had to be seriously cut back or delayed. In the third case, a proportion of the supplementary amount has been required for such things as the unforeseeable circumstances of a threatened swine flu epidemic. Now I will speak about the specific items.

The first, under ministry direct services, provides for an additional $1,567,500 above the originally estimated $35.5 million for ambulance and related emergency services. Labour settlements up to 24 per cent due to catch-up, which I have just spoken about, account for part of this total. The remainder has been needed because there was some delay in respect of ambulance services operated by certain hospitals and private operators in implementing the constraints programme applying to them.

The second entry, under the heading of institutional care services, covers two items: Hospitals and related facilities; and extended care health insurance benefits.

Mr. Nixon: That's to keep the Paris hospital going.

Hon. F. S. Miller: It is going. The item on hospitals and related facilities, amounting to approximately $92.6 million, represents the biggest part of the supplementary estimates I am presenting today. A large part of this $92.6 million shortfall results from the Anti-Inflation Board catch-up philosophy I spoke of before. Taking into account the amount included in this present estimate, we will be paying out no less than $1.3 billion in this fiscal year on hospital salaries and fringe benefits. With this staggering total, members will realize every single percentage point by which salaries rise adds another $13 million to the health budget.

Mr. Nixon: The fault is in your compulsory arbitration policy.

Hon. F. S. Miller: The other major cause for the shortfall in this area has been the difficulties encountered in implementing the total constraints programmes we had established as a target. One of these difficulties was provided by the court ruling that followed our move to close four of the province's hospitals, a situation with which all members will be familiar.

Mr. Moffatt: Where you acted illegally.

Hon. F. S. Miller: Another obstacle was simply the time factor. There were greater delays than we expected in implementing the constraints package generally. Nevertheless, the constraints package has saved $26.2 million.

Mr. Nixon: The delay has been about six years. Who was that doctor you fired from your staff?

Mr. Deputy Chairman: Order, please.

Hon. F. S. Miller: To avoid confusion, next year hospitals will be going on a fiscal year that coincides with the ministry's. Budget letters are going out today or tomorrow. Hospitals have been allocated a bottom line-amount for a 15-month period, allowing them greater flexibility in determining their own priorities within this dollar allocation. They are also getting increased lead time for planning, which will eliminate another of the difficulties experienced in the past.

The other item under the same heading, $12,056,000, is required for nursing-home benefits. In part, these increases are attributable to a speedup of construction, putting new nursing homes into operation earlier than previously anticipated. As a result, the total number of nursing-home beds rose from 24,853 in March 1975 to 25,965 a year later —an increase of 4.5 per cent. Another part of the total amount is caused by cost increases in the nursing-home industry, requiring us to agree to a larger per diem increase than anticipated.

The third item on the supplementary estimates, under the heading of personal health services, is an amount of $1.2 million for our home-care programme. I am sure all members are fully acquainted with how this home-care programme operates and of how much this innovative and low-unit-cost service can contribute to reducing the time spent by patients in hospitals, in some cases eliminating the need for hospitalization at all.

Overall, the cost of this programme has been growing at a rate of 30 per cent to 35 per cent annually over the past three years, against a 15 per cent increase in patients. During 1974-75, the number of patients receiving home care was 42,651. In 1975-76, the number was 48,990. Earlier this year there were indications that its extent of utilization might be levelling out, but I am by no means sorry to say this has not happened.

I say that I have not been sorry to see the demand continuing to grow because, in many ways, we would like to see it growing still faster, and to be asking still more money for its support. But even if the constraints programme allowed us to do so, we must recognize that home care is still a relatively new development that must be allowed to expand at an even rate. This will allow us to monitor its progress, and find out how and where it can be applied most beneficially.

Three highly important pilot projects, for example, are currently under way in Hamilton, Kingston and Thunder Bay, where we are experimenting with the application of long-term home care for chronically ill patients. These are by no means small-scale projects. We are, in total, allocating to them nearly $2 million of this year's budget, and the caseload is, at present, around 750 to 800 patients.

In itself, long-term home care—a service that allows chronically or terminally ill patients to remain in their own homes either to the end or until the time when there is no alternative to institutional care—is clearly more expensive than normal home care for a limited duration, for a sickness or an injury, simply because of the unlimited period for which it may be required. Because of this, members will not be surprised to hear that the long-term home-care pilot projects will be taking almost half of the total supplementary amount of $1.2 million.

On the other side of the coin, of course, is the fact that if these pilot projects prove as beneficial as we hope for every dollar spent on long-term home care, several dollars should eventually be saved on institutional care.

Of course, these dollars are important, but equally important is the human consideration. The spectre of long, empty, lonely years inside an institution haunts many of our elders, and I believe long-term home care, if it is found to operate successfully, will remove a great deal of that inevitably miserable prospect.

The fourth and final entry on the supplementary estimates for the other community

health services covers two items totalling $9.62 million, all but a small fraction of which is in respect of the swine flu vaccine programme. The whole of the first item, $5.85 million, is to cover the cost of the various vaccines. That is to say, it covers the combined swine and Victoria flu vaccine for the elderly and for the chronically ill adults.

Mr. Nixon: You were giving us Victoria injections today.

Hon. F. S. Miller: No, what I was giving you really wasn't the same thing as I was giving other people. To continue: —the swine flu vaccine for adults, from 20 to 65—

Mr. Nixon: I think you better clarify that just before I go to the hospital.

Hon. F. S. Miller: There are several ahead of you.

Mr. Breithaupt: Or the stockyards, whichever it is.

Hon. F. S. Miller: The price of beef has dropped, too.

Mr. Mancini: It is pork.

Mr. Breithaupt: It is pork, not beef.

Hon. F. S. Miller: To continue—the swine flu vaccine for adults from 20 to 65 years old, and for a limited amount of quantity of combined Victoria and Hong Kong flu vaccine, together with the necessary hypospray jet equipment—which was being used today—needles, syringes and the like, plus distribution and maintenance costs.

Mr. Nixon: Is there a Hong Kong flu threat?

Hon. F. S. Miller: Yes.

Mr. Nixon: I think you are setting up a straw man.

Hon. F. S. Miller: No, not a straw man. Similarly, more than half of the second item of $3.77 million has to go to local health agencies to cover the cost of actually administering the appropriate vaccine to the public. The balance of this item is mainly for increases in grants for unorganized territories and mosquito-spraying expenses connected with a possible encephalitis threat in southwestern Ontario.

I'm sure that without any further discussion from members of the opposition, they'll be pleased to vote on my estimates.

Mr. Deputy Chairman: I assume it is the pleasure of the committee that we deal with these votes item by item.

On vote 3002, institutional health services programme; item 2, ministry direct services:

Mr. McClellan: Mr. Chairman, I want to take the opportunity in leading off to raise a matter of some very real current urgency. That relates to the situation at the Huronia Regional Centre in Orillia. Last week, we received the Willard report, the study of the situation—

Mr. Deputy Chairman: Order, please. I don't see that this would be in this vote.

Mr. McClelland: I believe that traditionally we are allowed a short leadoff statement.

Mr. Deputy Chairman: I think on the supplementary estimates we have to keep our remarks to the particular vote, do we not?

Mr. McClellan: That has been the tradition since I've been here.

Mr. Deputy Chairman: Not on a supplementary estimate. A point of order?

Mr. Dukszta: Mr. Chairman, an opening statement always deals with the whole estimate and if the minister is proposing to spend extra money, he tries to answer to the House on what he's proposing to do with the latest suggestions made in the Willard report. That's why the member for Bellwoods is speaking on it. Where will the money come from to implement certain suggestions made in the Willard report?

Mr. Deputy Chairman: It is the Chair's understanding that on supplementary estimates the comments must be directed to those particular supplementary estimates we're voting on. As far as I am concerned the Willard report doesn't fall under this particular vote.

Mr. McClellan: Speaking to the point of order, I recall that when the supplementary estimates for the Ministry of Community and Social Services came forward last spring the minister and each of the critics made lengthy introductory remarks dealing with some of the very real problems which were current in that ministry. I expect to be able to do the same thing, rather briefly nevertheless, today.

Mr. Deputy Chairman: It would seem to the Chair again that what happened last spring perhaps was that the Chairman at that particular time had a different interpretation of the rules. It is my understanding, as I say again, that we must deal directly with the

various votes we're considering at this particular time. I am not aware that the Willard report or any of the moneys that might be necessary to implement that report fall under item 2 of vote 3002. Perhaps the hon. minister might clarify it and then the Chair will make a ruling.

Hon. F. S. Miller: As you know, I think the Willard report was commissioned by the Ministry of Community and Social Services. It certainly has overtones affecting my ministry but I can make no other comment except that, if one is looking at direct services, they handle that type of service but the money we are appropriating here was really for ambulances.

Mr. McClellan: If they handle that type of service I am entitled to speak to the issue. If the moneys are not allocated I am entitled to question the wisdom of the ministry in not allocating those moneys.

Hon. F. S. Miller: I suggest they are in the 1977-78 year when decisions will be made following from that.

Mr. McClellan: I am still entitled to argue that they ought to be in the supplementary estimates now. I would like to be able to make that point in—

Mr. Deputy Chairman: I would again say that it is the Chair's opinion that the moneys necessary to implement the Willard report, as far as this ministry is concerned as the minister has indicated, would fall within the budget of the 1977 fiscal year. We are not dealing with moneys that are going to be appropriated for that particular expenditure in 1976 and I feel that any further discussion on the Willard report is out of order at this time.

[5:45]

Mr. McClellan: Mr. Chairman, I'm sufficiently unfamiliar with the rules to know how to protest this, but I protest it very, very strongly. I am entitled to challenge the way that this ministry—our party is entitled to challenge—

Mr. Deputy Chairman: Are you challenging the Chairman's ruling? If you are, would you say so and we'll deal with it.

Mr. McClellan: Yes.

Mr. Deputy Chairman: All those in favour of the Chair's ruling at this point will say "aye."

All those opposed will please say "nay."

In my opinion the "ayes" have it.

The Chair's ruling is upheld.

Will the hon. member for Bellwoods continue? It would seem to me that the hon. member could debate in the budget debate or any other debate but not at this particular time. The hon. member will continue.

Mr. McClellan: If you want to muzzle debate, you can muzzle debate.

Interjections.

Mr. Conway: A brief comment on the ambulance question in vote 3002. Mr. Minister, I just wanted to take this opportunity to draw to your attention the ongoing problems that a particular ambulance operator has had in my riding. It seems to me that in over the past number of months that problem has become almost endemic and certainly has ramifications far beyond the particular jurisdiction from which I come.

I just wanted to take this opportunity to express on behalf of many of the private operators, particularly, their sense of frustration at the ongoing confusion that seems to be characterizing the flow of moneys from your ministry to them in their particular budget allocation. I must say that I'm not pleased with the rather sketchy details in your opening remarks with respect to ambulances, because I thought you might have availed yourself of this rather good opportunity to make some comment to this situation that I know you know to be serious, if on no other point than simply that of the lack of confidence that many of the operators of ambulances, both private and otherwise, are experiencing at the present time.

I believe there is a meeting there today in Toronto of the ambulance operators in Ontario. I have spoken to a number of those people and one of the things that they were hopeful of this afternoon in this particular supplementary estimates debate, would be your clarification, if possible, of the budgetary problems that they have been facing, particularly with the disparities.

One of the concerns that my private operator and the people who work for him at Petawawa have is about the lack of policy. I have a very, very lengthy letter to me dated November 16, 1976, from the regional co-ordinator in eastern Ontario, Mr. Jerry Bahr, and I would like to take this opportunity to put on the record that while we've not always been happy with what Mr. Bahr had to relate to us in eastern Ontario about the ministry's position, his availability and

his co-operation have been splendid and have been very much appreciated by me and certainly by all those people who are active in the ambulance sector of the eastern Ontario health business.

I know the hon. member for Brant-Oxford-Norfolk wants to make a contribution and I don't want to prolong this but—

Mr. Nixon: No, no. You're doing very well indeed. Read that lengthy letter.

Mr. Conway: Mr. Minister, it is a concern to me and to them that there appears to be an ongoing confusion and frustration as to the finances for these operations. The people in Petawawa, for example, are a private operation, you know that. They find the people who work for that private operator are frustrated at the disparity in dollars on an hourly rate provided to them, granted, by the private operator. It's very clear in the letter from Mr. Bahr that the compensation is a matter over which the government sees is to be agreed to by the private operator and the people who work for him.

But I'll tell you, an example of the situation that exists in our county is that people who work for the government-run operation in Renfrew are receiving, I think on average, as much as $1.50 per hour more than the people privately employed in Petawawa. That kind of disparity together with all the budgetary problems has done little to encourage confidence particularly in Petawawa at Earl's Ambulance in the ability of this particular ministry to provide a measure of equality throughout this very important aspect of this ministry.

The one point I wanted to raise under vote 3002, item 2, was hopefully an expression of concern on behalf of the people, particularly at Earl's Ambulance in Petawawa, but also for many of those operators in the private sector because of the problems they're experiencing almost in liaising with this ministry on the budgetary questions in particular.

Mr. Samis: Let's hear it for Earl.

Hon. F. S. Miller: I'm aware that there have been a number of problems with ambulance budgets in the year 1976, mostly because we didn't apply the constraints to them that we had originally intended to because we were late in the year advising them. The things the hon. member is talking about really are the salaries paid to individuals working for different ambulance services around the province.

I quite openly admit there are variations in this. I suggest to you that if you take any trade and go around the province and look at the rates government pays a particular tradesman if they work for a government hospital and the rates somebody in the community pays for that same trade if they work for the private enterprise, they will have considerable variation also.

We have had in certain cases, to have provincially-operated ambulance services, simply to maintain services in some towns. It is our desire to get out of those operations when we can and return them either to hospitals or, failing that, to private enterprise operators. We are working with groups and, I think, recognizing their legitimate requirements when negotiations result in increases in salaries.

Mr. Conway: Just briefly, I don't altogether disagree with what the minister says about the economic realities of regional disparity in a province and in a country such as we have in this part of North America. But I'll tell him that in my county the disparity that exists between the government operation in Renfrew and the private operation in Petawawa of about $1.50, if not more, per hour is a disparity within the county that he's not likely to find anywhere else. The real problem lies in convincing the people who work for the private operation in Petawawa that there's some justice at the county level in this kind of an operation.

I'd ask, very briefly, what success is the minister having with the phasing out of operations, such as the one in Renfrew, which, from what I've been able to gather, are financially of great concern to him because of the disparity aspects that he addressed himself to earlier?

Hon. F. S. Miller: The hon. member is talking about the amalgamation of different units around the province. We haven't been pushing that as hard as perhaps we would like to simply because there's a great deal of community support for ambulance services wherever they may exist.

Mr. Mancini: That is why you tried to put them back.

Hon. F. S. Miller: If we tried to rationalize all of the services we could, there are a good number in the province that would disappear. We've been working on communications, trying to make sure we've got better dispatch methods. I think that's paid off in most parts of the province. Now we're slowly

working more or less on a voluntary rather than a forced basis to see if we can't see certain amalgamations around this province.

Another thing we're working on that often causes dismay is limiting the number of hours that a particular service is operating when another one nearby is able to cover quite adequately in the quiet hours of the night. All of these things meet with resistance at the local level because people are always a bit nervous about the lack of a manned vehicle during the night.

Mr. Conway: Just briefly again on that point, I am wondering if the minister would care to comment at this point in time how successful he and his ministry are being in their efforts to involve people at a volunteer level. I speak of the case we have in Deep River where the volunteer alternative was sought after and, at last report, I was under the impression that some progress was being arrived at. I wonder if the minister would care to comment as to how he sees the volunteer alternative as a way of reducing government involvement in much of the ambulance expenditures across Ontario, particularly in a northerly riding such as my own.

Secondly, what success to date are you having in encouraging people, particularly in areas such as my own, to have their own volunteer service? In the city of Pembroke, there is a paid service and 30 miles away in Deep River now the suggestion is being made that a volunteer service should be provided. I'm wondering what success you're having.

Hon. F. S. Miller: I am told we have 27 volunteer services in the province and that we're working with Deep River. I think they are preparing a proposal right now. Certainly I like them. Most smaller towns in Ontario have volunteer fire services and they work very well.

Mr. Wildman: They don't get any money from the government.

Hon. F. S. Miller: We pay a lot of money from the government for ambulance services I must say.

Mr. Wildman: Not for most volunteer fire equipment.

Hon. F. S. Miller: I was just relating the two. I would say that in fact there are probably a number of other places in the province where we could change full time services to volunteer services and make very real savings if we could convince the communities that the level of stand-by service was adequate.

Mr. Mancini: That's a switch.

Mr. Conway: Do you think you can convince them? And in fact are you trying to convince them?

Hon. F. S. Miller: I am going to answer yes to both.

Mr. Makarchuk: I wonder, Mr. Chairman, in view of the time whether it would be wise to adjourn the debate on this matter and resume at 8 o'clock, or do you wish me to proceed?

Mr. Breithaupt: How much more debate might there be, Mr. Chairman?

Mr. Deputy Chairman: How much more debate would there be? I think I have another one or two speakers indicated here from—

Mr. Breithaupt: We could call it 6 o'clock and then—

Mr. McClellan: We have about eight speakers.

Mr. Breithaupt: Fine, we'll call it 6 o'clock.

The House recessed at 6 p.m.

APPENDIX

(See page 5199)

153. Mr. Angus: Inquiry of the ministry—Would the Minister of Government Services please list the yearly payments and the length of the lease agreement for those buildings in northern Ontario leased to the province of Ontario, and constructed by Dante Gasparotto, Group Buildings Systems Limited, Ormiston Investments, and Tom Jones and Sons?

Answer by the Minister of Government Services.

The following is a list of the information requested in question 153:

Lessor	Building location	Lease cost per annum	Lease expiry date
Dante Gasparotto	Thunder Bay	$ 43,356.00	July 31, 1982
Tom Jones and Sons Ltd.	New Liskeard	84,000.00	Feb. 20, 2002
Tom Jones and Sons Ltd.	Dryden	324,000.00	Oct. 31, 2002
Tom Jones and Sons Ltd.	Thunder Bay	283,013.16	Nov. 30, 2004
Tom Jones and Sons Ltd.	Thunder Bay	45,864.00	Dec. 31, 1979
Tom Jones and Sons Ltd.	Thunder Bay	7,404.00	Sept. 30, 1977
Ormiston Investments	Nestor Falls	10,992.00	Oct. 31, 1991
Group Building Systems Limited	Thunder Bay	165,433.80	Nov. 30, 2003

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Third Session of the 30th Parliament

Tuesday, November 30, 1976

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

SUPPLEMENTARY ESTIMATES, MINISTRY OF HEALTH

(continued)

On vote 3002, institutional health services programme; item 2, ministry direct services:

Mr. Chairman: The hon. member for Brantford was about to say something.

Mr. Makarchuk: I would like to touch on the matter of the ambulance service in the city of Brantford and Brant county. Before the minister embarked on his austerity programme or whatever it is, we had an excellent ambulance service that was fulfilling its functions. The people in the community had confidence in the service and they were quite happy with what was going on. Then you decided to start cutting back and cutting out. Consequently, there is a great deal of concern in the community about what is happening when you talk to some of the people who have had dealings with the service.

The other day a gentleman approached me and pointed out that he had to wait two hours for an ambulance to appear at his doorstep. He said it was lucky it was not an emergency situation for he had to wait two hours.

I have received letters from other people where the ambulance attendants who arrived on the scene were not properly trained. In this case, it was a heart attack case that eventually was fatal. They did not have oxygen. They did not provide the proper care for the patient en route to the hospital. In fact, they weren't even able to get to the hospital in time. The gentleman who told me about it did all sorts of things around the apartment. Eventually he got in his car to follow the ambulance and found out that they were sitting in the middle of the street doing nothing.

There was another letter that was sent—and I am going to read this letter into the record—to Mr. Brubacher from the Brantford General Hospital. The letter is dated November 23, 1976.

"Dear Mr. Brubacher:

"The executive committee of the board of governors of this hospital has unanimously directed this appeal to you for the establishment of a more permanent ambulance service for the city of Brantford at the earliest possible time. Allowing for past promises of such an arrangement at a much earlier date, the latest being September of this year, you can gather some appreciation of the frustration that has developed. As further delays can only add to this frustration, the committee further specifically directs that such assistance as necessary be sought, including that of the Brant County District Health Council and Mac Makarchuk, MLA for the riding of Brantford.

"While we have reason to believe that not all of the many complaints aired on an open line radio programme are entirely valid, we are aware of many instances creating a general atmosphere of dissatisfaction. Extended use of an interim service is considered to be largely responsible for this deteriorating situation, mainly because it has proven a barrier to good communication and understanding.

"The medical staff of this hospital is both disappointed that no one fulfilled an understanding to attend a full staff meeting and frustrated that continued efforts to effect such a meeting are not materializing. Also, nurses and other staff would like opportunities to exchange information which can only be beneficial to the patient. There are also those problems inherent with changing personnel who obviously are not familiar with the city and district, thus delaying calls. We need not remind you of the changes which accompanied this transfer of the service from the Brantford fire department but we emphasize the ramifications of such changes to those long associated with the excellent service rendered by a competent, co-operative and disciplined staff carrying out their duties in a consistent manner.

"Administratively, we have no complaints with the service being based at this hospital, other than to support the contention that it is difficult, if not impossible, to find a contact with authority to speak for the service. No one seems to know why the telephone service, which creates annoyance and potential hazard in the emergency department,

wasn't modified long ago. Perhaps this would partially explain the frustration of one of your attendants who stated he could solve the matter by taking the patient to other hospitals.

"We trust that you will take this request and these supporting remarks in the spirit in which they are given and that you will not hesitate to seek our assistance if we can be of any help."

The letter is signed by K. J. Muir, administrator of the Brantford General Hospital.

I think you are aware that there has been a change. As I understand it at this time, you are looking for somebody to take over the service in Brantford on a permanent basis and you have been looking for quite some time. Could you at this time give us some indication when you are going to make up your mind? When are you going to have a permanent ambulance service, who is going to administer or run that ambulance service, where is it going to be operated out of, and when can the people in that area count on you to provide the kind of ambulance service or something similar to what they had before you got your hands on it?

Hon. F. S. Miller: They will have a much better one than they had before we got our hands on it. I lived in Brantford at one time, too. You know full well that the service in Brantford was run by the fire department. You know full well that they didn't have any people trained through the Borden course in that department. That was probably the major reason we had to reconsider the change and why we've had to have it operated for a short term until such time as we've got trained operators.

Proposals were called for; we've accepted them. We have now got a name up and I'm told that within next week or so the new people will be named and will be operating by the first of the year.

I get tired of the complaints about the ambulance service in this province. Go somewhere else, to some other province, and you'll discover how lucky we are in this province to have a very fine, well-operated, well-trained system, one which most people consider to be the best in North America.

Mr. Makarchuk: Mr. Chairman, I'd like to correct the minister—

Mr. Nixon: The ambulance service?

Hon. F. S. Miller: In Ontario.

Mr. Makarchuk: —about there not being trained people available. The people who ran the ambulance service were fire department people and I think most of them, if not all of them, had taken a St. John Ambulance course. They were well-trained and knew what they were doing in comparison to what you've got now.

The reason, of course, is that you feel that some of the people you are going to get on staff eventually will go for some community college training and then operate the ambulance service. At this time, as I understand it, I don't think there are very many of them available—or that the courses are available at present for these people to take.

I'm glad to hear that you are going to name the person in one week and by the beginning of the year we will have the ambulance service and you feel that we should consider ourselves lucky. I have to point out to you that we had a good ambulance service there because the local community got together and got that ambulance service there. Admittedly, the ministry paid money into it; there's no question about that. Surely, you don't expect us to be grateful because we have got some of our money back?

The other point is if you wish to compare us to somebody else, I'd like you to sort of discuss these things with some of the people who didn't quite make it to the hospital—persuade them or convince them of how great things are.

Hon. F. S. Miller: You alluded to a two-hour call. First, I challenge you to tell me there was any ambulance in Ontario without oxygen and if you have the details, I'd like to have the details on it. Oxygen is a standard part of every ambulance's equipment in this province. If some ambulance did not have it, I want the details.

The question of a two-hour call must have been a request for the transfer of a patient for routine diagnostic services not for any emergency. We simply code calls from, I think, one to four, on the basis of the information we're given. If it's a code four call I believe it's an emergency; if it's a code one, it may be a transfer. If somebody says to us, "I have to go to the hospital"—you know full well that a lot of people do use the ambulance, in effect, as a taxi service—they may have to wait until there aren't emergency calls or until there are enough spare standby vehicles and that's only proper. We're providing a service which didn't used to be provided by any stretch of the imagination and wouldn't be provided in ambulance services.

Our ambulance service is growing at the rate of some 10 per cent, I think, in volume

of calls per year and we can attribute the great bulk of the increase to simply taxi service not to emergency service.

Mr. Nixon: I don't know if the hon. member wants to pursue his present line of discussion or not but I suppose the one I want to raise with the minister is somewhat similar. It has to do with the Willett Hospital in Paris, Ontario. The minister is aware that he has been to the Willett Hospital to announce to the local board that it would be closed. There was fortunately a strong response from the community and from the courts which has delayed this but the matter pertains to the ambulance service associated with the Willett Hospital. Whether or not Willett closes, and we trust that it will not, there should be a 24-hour service available in the community of Paris.

The hon. member for Brantford (Mr. Makarchuk) has been talking about the shortcomings as he sees them in the service in Brantford but the minister is probably aware, certainly his officials would be, of a reduction in the budget for the ambulance service associated with the Willett in Paris. It's difficult for me to discuss this because the last thing I want to suggest to the minister is that any action should be taken which would facilitate any reduction in service in Paris. If, in any way, he has this in mind surely there has to be an efficient 24-hour service in Paris associated with the Willett Hospital and for those serious cases which can't be treated in one of the smaller community hospitals such as Willett which would facilitate transfer to Brantford or Hamilton or even London.

I understand that the budget in the Willett situation has been substantially reduced. I want to suggest to the minister that we have to beware, certainly from his point of view, of an inconsistency in policy, and that one of the things that must be maintained at a very high rate of efficiency is the ambulance service associated with that hospital. I trust he will be able to assure us that with this additional amount of $1,567,500 sufficient support will be maintained.

Hon. F. S. Miller: We certainly are going to maintain the ambulance service at Willett Hospital, whether it continues to function as an active hospital or not. On the question of the budget at Willett Hospital, I am sure you would share the feeling with me that it is serious. I am told that they had an overspending problem relative to their 1975-76 budget, let alone their 1976-77 budget. That is the area we are attacking —not the quality of the service but the cost relative to other services.

Mr. Hodgson: I sit here in the Legislature and listen to all the complaints against ambulance services rendered throughout the province of Ontario. I represent a riding that has two hospitals—York Central Hospital and York County Hospital—one is at Richmond Hill and the other at Newmarket—and I hear nothing but praise for the ambulance service that is rendered out of both those hospitals to the community. I haven't had one complaint—

Mr. Conway: How about courthouses?

Mr. Nixon: Just don't get sick, Bill.

Mr. Hodgson: —not one complaint against the ambulance service. I have heard a lot of praise for the ambulance service, and I want to pass this on to the minister so that he will have—

Mr. Ferrier: What about courthouses?

Mr. Hodgson: —a little bit of confidence in the services that this government is rendering to the people of the province of Ontario.

Mr. Nixon: You should be moved up into the front row, Bill.

Mr. Renwick: We have confidence in you, Bill, but not in the government.

Mr. Hodgson: This thing of always complaining gets you nowhere.

Mr. Conway: Back to basics.

Mr. Mancini: I am most pleased to rise in these supplementary estimates to speak on the ambulance services that are rendered throughout the province of Ontario and particularly in the great riding of Essex South. I am sure the minister is already aware that we do have a great many concerns in my constituency about the type of finances and the types of intervention that we receive from the director of the ambulance services branch in his ministry.

First of all I would like to speak to the minister about the Harrow ambulance service branch which services the communities of Colchester North, Colchester South and the town of Harrow. It serves approximately 10,000 and some odd people. We have been told that we would have a budget for the year 1976 of around $60,000 and we expected something in that vicinity for the year 1977. However, we have now come under the heavy hand of the restraint in a

programme that has been initiated by this minister in his health budget. We find that we are going to be cut by over one-third—not five per cent or 10 per cent or a few thousand dollars that a small service can cope with, but over 30 per cent of this ambulance service budget is being cut by your director, and we just cannot accept this.

We have met with your director and we have heard all the praise that he has given Mr. Smith and how very capable he is in operating his ambulance service and how we know that he can operate with 30 per cent less. But I would just like to inform the members of this House, he is being paid to operate a 16-hour-a-day service and he operates it 24 hours a day.

Just tell me how he can tell his friends in the community who are involved in a car accident, or are ill with some sickness, "No, we stopped at 4 o'clock," or, "Call Leamington," or, "Call Amherstberg." He's not that type of guy and he wants to give the people in the area a good ambulance service.

[8:15]

He's got students from St. Clair College who are taking these courses but there aren't going to be any jobs for them. He's paying them very low wages and consequently he's getting a high turnover of employees. It's not doing his service any good and it's not doing the people of that area any good at all, either.

We're concerned about how the director of your ambulance services branch can go into an area and say, "Your budget is cut by 30 per cent. We think you're a great guy and we think you know how to operate this ambulance service with a 30 per cent cut—just go out and do it." Like rah, rah, rah! I don't think we can tolerate that type of cutback.

We received resolutions from all three councils and they have been down here to meet with your director. He tells them to speak with the regional man and to visit the other places in the province of Ontario which are in their group. I don't know how he ever came to put the Harrow ambulance services within this particular group because this ambulance service does not do any taxi calls; it's all emergency calls. I'd like your response on that before I carry on.

Hon. F. S. Miller: First of all if you formed a government, perish the thought—

Mr. Moffatt: Don't let it cross your mind.

Mr. Nixon: This time next year you will be back running a train in Santa's Village.

Hon. F. S. Miller: —you would still be faced with getting value for the taxpayer's money. You just don't want value for the taxpayers' money.

Mr. Nixon: You'll be back on the beat. You'll be back on unemployment insurance.

Hon. F. S. Miller: Your ambulance system is making 332 calls a year for a cost of $62,000.

Interjection.

Hon. F. S. Miller: That's about $200 per trip.

Mr. Nixon: It's $200?

Mr. Hodgson: How does that grab you?

Hon. F. S. Miller: When you look at that, I think one should stop and realize that I have the job—

Mr. Mancini: Three to four calls.

Hon. F. S. Miller: —and you would have the job of getting value for the money spent. I would hazard a guess that if the councils had to fork that money out for the service in your area, they would be watching the budget of that operator in a way we are never going to watch it. You know full well they would. Therefore, I am still spending taxpayers' money and I intend to get value for it. If that means we have to curtail the service and have standby at night—I think we could show you how many standby night calls ever occur—then we will have to ask them to do that.

Mr. Conway: What about Uncle Lorne?

Mr. Eakins: Are you trying to make up what you lost in Ontario Place on the ambulances?

Hon. F. S. Miller: Take a look at the budget changes—there was a 21 per cent increase between 1974 and 1975; 39 per cent the next year. The ambulance service hasn't exactly been a slow growth business. All I'm saying to you is at this point we have to start getting value for money and that, sadly enough, means looking for—

Mr. Nixon: You're the one who provincialized it.

Hon. F. S. Miller: —some co-operation between the independents who have tended to run things their own way. Let me tell you,

when these guys were running it with their own cash and collecting the money from the patients, they didn't spend $62,000 a year running the service.

Mr. Mancini: I would like to bring to the attention of the minister—I'm sure he's already heard about this if he's so concerned about the costs—why did you meddle around with the Amherstburg-Anderdon-Malden ambulance service? Why did you fool around with a totally voluntary service which was hardly costing your provincial programme a penny? You wanted to go in there and make those people provincial.

Mr. Nixon: You took it over.

Mr. Mancini: You wanted to take over their dispatch service and they told you they couldn't operate like that and still save the taxpayers a lot of money. But you and your director didn't care at all. You had this big, grand programme in your mind that the whole ambulance service across the province was going to work for the Ministry of Health and here we go.

Mr. Hodgson: You are getting carried away.

Mr. Nixon: You took it over and now you are complaining.

Mr. Roy: You should get up and apologize.

Mr. Nixon: You want to call the tune and now you are complaining about paying the piper.

Mr. Mancini: Now that I'm on the point of the Amherstburg ambulance service—

Interjections.

Mr. Chairman: Would the hon. member for Brant-Oxford-Norfolk (Mr. Nixon) stop interjecting?

Mr. Nixon: Just assisting.

Interjections.

Mr. Hodgson: How many copies of Hansard do you want?

Mr. Roy: It's okay; he's going to be around here longer than you.

Mr. Nixon: Goodbye, Bill.

Mr. Mancini: Now that we're talking about the Amherstburg ambulance service, I believe, if I'm not wrong, that they're spending $40,000 to $50,000 per year from the Ministry of Health, and that the vehicles this service uses were purchased by the donations of the people in that tri-community. It wasn't because of the Ministry of Health. There were $10 and $15 and $20 donations from ordinary citizens and you wanted to put those people out. That's how much you care about restraints.

Hon. F. S. Miller: Mr. Chairman, I'm just tempted a bit. You know, those $10 and $15 collections, which are true, were used to buy a Cadillac because they weren't satisfied with the ambulances other people had in the province, and we still happen to be paying for that unit.

Mr. Mancini: Mr. Chairman, whether they were Cadillacs or not—

Mr. Nixon: Didn't the minister once run a used car lot?

Mr. Mancini: They were bought by the people of that tri-community with their own money and in the way they saw fit. They have over 30 people, and they have a large waiting list of people who want to get on the volunteer ambulance squad. You tried to squash that, so don't tell me in this House about restraint.

Hon. F. S. Miller: Mr. Chairman, at no time have we tried to squash the Amherstburg service. For a volunteer service, $45,000 a year isn't too bad.

Mr. Mancini: They'll be glad to hear that.

Hon. F. S. Miller: Secondly, they do get the money back for their vehicles. While they insisted upon buying them, they still get depreciation allowance in their budget, so they get back the value of a normal vehicle from us. The differential between a Cadillac and a Dodge, which we would have provided, is charged to the local citizens. I have to tell you that in my own honest opinion, you don't get to hospital any safer in a Cadillac than you do in a Dodge.

Mr. Mancini: I feel the minister is making a great to-do about the Cadillac that has been bought by the people of the Amherstburg area. But I'd just like to tell the members of this House that I have a great deal of respect for the people who run the Leamington ambulance service. It's run by the Jacobs brothers. They do get quite a bit of money from this ministry. They spend over $100,000 per vehicle. The Amherstburg people run three vehicles for $45,000 and they have great service and there's a lot of pride in the community.

It was a little less than a year ago that your director was down in the Windsor area

and I believe it was the deputy reeve of Colchester South who heard him mention how he was turned off by the volunteer ambulance service people. It was the deputy reeve of Colchester South who brought this to my attention, and he also brought it to the attention of your director. So don't tell us about your restraint programme because you tried to squash it—a true volunteer service.

Now you try to make fun of it because of the vehicle which the residents in the area bought. You're trying to tell the members of this House that they're going out and they're wasting money. They'll be glad to hear that, because it wasn't too long ago—

Hon. F. S. Miller: You are getting carried away.

Mr. Mancini: —that the Premier (Mr. Davis) was down in our riding and he happened to visit the lovely town of Amherstburg. He took this very nice tour of the tri-community—Amherstburg - Anderdon - Malden Station—and he commented, "My God, you know, this must be one of the best branches in the whole province."

Mr. Nixon: And they're not getting paid?

Mr. Mancini: That's right, we're not getting paid. I wish your director would just come to grips with that. We're tired of the cutbacks in Essex South in this ambulance area. If you think the people in Harrow could work with a 30 per cent cut, you're wrong. You're just not going to give the people the service and it's going to be on your shoulders.

Mr. McClellan: Does the member for Renfrew North want a Cadillac too?

Mr. Conway: I must say, Mr. Chairman, I want not a Cadillac for Renfrew North, but a courthouse for York North.

Mr. Hodgson: Do you have any Cadillacs up there, Sean?

Mr. Conway: I thought it was Erasmus who authored In Praise of Folly but that speech from York North makes me think the farmer from up York North way—

Mr. Hodgson: We are not all farmers.

Hon. Mr. Rhodes: Knocking the farmers.

Mr. Conway: I just wanted to raise a very brief point again. It has to do with something the minister raised in one of his remarks not very long ago. That is having regard to what we all recognize is the serious escalation of the use of ambulances as taxis, which I think were your words. On a policy level, are you contemplating to perhaps discourage, if such is possible, that abuse of a very costly service? Having listened to your eloquent articulation of the concern and since it's obviously part of the reason for the escalating costs in the ambulance services branch, I'm wondering if you or members of your officialdom are giving any serious contemplation to deterrents in that particular regard?

Hon. F. S. Miller: Yes. We've been very concerned about the use of vehicles for non-emergency purposes. So far we've been trying some jaw-boning in certain areas. I know I visited one ambulance dispatch in a major city where, when they got an obvious transfer call, they would point out to the person that they had to pay for part of the call. I'm giving serious consideration to ways and means of raising the deductible or perhaps even passing the whole cost on, if a person other than an officer or a doctor orders an ambulance for somebody for a non-medically necessary trip. We may have to go that route because ambulances are just far too costly for people to use as convenience vehicles.

Mr. Moffatt: I'd just like to ask the minister one brief question. If an official person, such as the principal of a school or the attendant at a hockey arena, summons an ambulance and it is deemed by your ministry not to be necessary in retrospect, then some other person will have to pick up that fee. That's what you said.

Hon. F. S. Miller: I didn't say that and you know it. I'm talking about transfer calls, and let's listen to that. People call up in the middle of the day and say, "I have to be at such and such a hospital because I'm having my haemoglobin read." They get taken down there and they get taken back. Theoretically, they spend $5 to do it. In many instances the hospital can't collect it and writes it off because it isn't worth pursuing.

All I'm saying is we can't afford that. Obviously in the case of any call made in all seriousness because they think somebody was hurt or in need of a call, no one is going to argue with that kind of thing, now or in the future.

Mr. Moffatt: How many do you get?

Hon. F. S. Miller: Lots of them. I can give you the percentages.

Mr. Chairman: Shall item 2 carry?

Mr. B. Newman: I wanted to ask of the minister, now that the district health council has been formed in my own community, has he set a deadline as to when they have to report concerning the rationalization of the ambulance services in the area?

Hon. F. S. Miller: I can't answer the question until I get the information. If you'll just hold on a second, I'll get it.

Mr. Conway: Did item 2 carry?

Hon. F. S. Miller: Just a second now.

Mr. Conway: Mr. Chairman, I directed my question of course to the Chair and not to the minister. I wondered if the vote had carried.

Hon. F. S. Miller: Only one of us can be on our feet at a time.

Mr. Moffatt: Well, sit down.

Mr. Conway: I wasn't aware that the member for Muskoka was the chairman. I asked on a point of order.

Hon. F. S. Miller: I was just going to refer the question to the gentleman who just asked me. But I will gladly obey the Chair.

Mr. B. Newman: Mr. Minister, are you going to provide me with the answer?

Hon. F. S. Miller: Mr. Chairman, I was trying very hard to. The member for Windsor-Walkerville's rather ebullient companion from Renfrew North was bouncing up and down like Alka-Seltzer in a glass.

Mr. Singer: What's your next joke?

Mr. Breithaupt: Moving right along.

Hon. F. S. Miller: I am told the committee is expected to report in April or May on the rationalization in the Windsor area.

Mr. B. Newman: You are leaving the decision as to the type of service for the areas completely the responsibility of the district health council. Is that it?

Hon. F. S. Miller: I never leave the decisions entirely to them. I'm asking for their advice. The decision will be mine.

Mr. Conway: My apologies, Mr. Chairman, for my unusual intemperance in interrupting the Minister of Health. I just wondered, Mr. Minister, in following the comments that you offered in response to my good friend from Durham East, would you perhaps table the material which you said you had available on the calls and the abuse of calls? I'd be interested to see that.

[8:30]

Mr. Singer: Of course. With pleasure.

Hon. F. S. Miller: I don't know if I can do it at this moment. I was told that code one calls are 25 per cent of the total; I can give you that information.

Mr. Conway: Are you aware of any pattern in those calls, as to where they originate or what kind they might be?

Hon. F. S. Miller: The one thing I can do with the ambulance service with great confidence is give you the statistics on the source of calls, the frequency, the type of call, all those things because OASIS, as we call it—the Ontario Ambulance Information System—really has—

Mr. Breithaupt: OASIS?

Hon. F. S. Miller: —almost complete capability to draw a map of a given area showing where the calls originate and what type of calls they were.

Mr. Conway: I'm wondering, is there any evidence to indicate a pattern or a concern for the origin of calls which you might deem to be abusive?

Hon. F. S. Miller: I think it depends upon the community. We have some communities where there is a very high percentage of transfer calls from, say, the home for the aged to the local hospital and back, that kind of thing.

Mr. Nixon: And the doctor's office?

Hon. F. S. Miller: I don't know if they are to the doctor's office so much.

Mr. Nixon: There are some.

Hon. F. S. Miller: In any case, we can get that information and I think it would be complex enough to be fairly voluminous. I think, for those one or two or three of you who'd be interested, I would suggest you spend an afternoon seeing the data and the sources of it and become familiar with the way the system operates. I think then you'd probably want to move over to this side and support me next time.

Mr. Breithaupt: I don't think that will be quite enough.

Mr. Nixon: Not bloody likely.

Mr. Conway: On that point, I would be more than delighted, on the basis of an afternoon's survey of that material—certainly not to join that side of the House, God forbid!—to discuss with you some of your considerations for cutting back. One of the concerns I would have is that those cutbacks would not, as we've seen in so many other of the cutbacks administered by this government, lack sensitivity, particularly for those people in that area who might not be able to protect themselves.

Mr. Norton: Come on. Stop using that language.

Mr. Conway: I'd be quite happy to spend an afternoon looking at that data.

Mr. Norton: You can do better than that.

Mr. Angus: You had your chance this afternoon.

Vote 3002, item 2 agreed to.

On item 3, institutional care services:

Mr. Ferrier: I'd like to deal with—

Mr. Conway: Gold mines?

Mr. Ferrier: We'd like to deal with those, too.

Mr. Wildman: Are you against gold mines?

Mr. Conway: Not at all.

Hon. F. S. Miller: Gold mines and ambulances have a lot in common.

Mr. Wildman: What disease did you have?

Mr. Chairman: Could we have some order, please?

Mr. Ferrier: About a year ago the minister announced that he was closing the northeastern regional mental health centre and he was going to transfer the services provided by that centre to North Bay. After quite a campaign, he said he was going to set in place some community mental health care teams and a 20-bed psychiatric unit at St. Mary's Hospital in Timmins.

Mr. Conway: That will defeat the government the next time.

Mr. Ferrier: They gave us the story at that time there weren't going to be too many people from our part of the country who would need to be in a mental hospital for a very long period of time and most of them would be treated in our area anyway.

Mr. Wildman: We're the only sane people in the province.

Mr. Ferrier: I have a letter from the minister dated October 5 and I had asked earlier how many patients were in North Bay from our area. Curiously enough, there were 79 patients in North Bay and a number of them were from my riding; quite a number of them were from the riding of Cochrane North and others were from the riding of Timiskaming. While the 20-bed unit at St. Mary's served a purpose and has been looking after a number of people on a short-term basis, it still means that a lot of people from my area and these other areas have to drive all those miles down to North Bay for any long-term treatment; and in this case there are 79 people. In certain instances you're sending them down by ambulance if they're so disturbed. It means those people have to be a long way from home; and the families, if they are going to see them, are the ones who are having to pay the extra expenses in terms of travelling arrangements and perhaps overnight accommodation in North Bay on a weekend so they can visit a little longer.

I don't accept the solution you provided in that part of the province, because there is no other part of the province that has to go so far for psychiatric care. We are lucky, I suppose. Every week or two the psychiatrist from North Bay comes up and does a quick assessment of those who may be in Timmins. To my way of thinking, you haven't really provided the kind of service we had before.

Mr. Chairman: Will the member for Ottawa East (Mr. Roy) and the member for Sault Ste. Marie (Mr. Rhodes) stop mumbling above their breath?

Hon. Mr. Rhodes: He is bothering me.

An hon. member: Don't tell the House.

Mr. Chairman: Ignore him.

Hon. Mr. Rhodes: He is speaking French and I can't understand him.

Mr. Nixon: Chauvinistic minister.

Mr. Chairman: Just ignore him. The hon. member for Cochrane South may continue.

Mr. Ferrier: Yes, I think it would be a good idea if they talked outside if they've got something to say.

Interjection.

Mr. Bain: They don't. That's why—

Interjection.

Mr. Ferrier: But the people in my area, at St. Mary's Hospital in particular, have decided that to serve the community they would take on the extra programmes that were needed in terms of the 20-bed psychiatric unit and the outpatient care that's provided for our part of the province. There's another outpatient care programme operating in Kapuskasing, I believe, and one in the southern part of our area; I don't know whether it's in Tritown or in Kirkland Lake. Since then you've also put in place a children's programme, for which I think you've allotted $188,180; but I don't know how well that's working out.

When you take a look at all the programmes there—the people you're treating in North Bay and the extra cost for those; the psychiatric unit at St. Mary's; the three community programmes; the children's programme; and then the cost of the retarded centre—I really wonder what saving you've effected by that at the cost of a good deal of disruption as far as the community is concerned.

You've made a significant improvement as far as the mentally retarded are concerned, but you certainly have seriously disrupted the mental health programme. If this programme we have is so good, why don't you move in a big way to implement it throughout the rest of the province and save some money there too? I think you've just used us as sort of whipping boys. That's the kind of treatment the north gets all the time.

An hon. member: In the ear.

Mr. Ferrier: The resentment we've built up against the south and this government has got lots of justification and lots of basis. This is just the kind of thing that happens.

St. Mary's Hospital did agree to take that programme. First of all, they were in quite a period of consultation with officials of your ministry as to what kind of a budget they should set up and what kind of a programme they should implement. They did almost everything in conjunction with officials of your ministry. Your ministry said to do this and to do that, and in many cases that is what they did. The budgets were not approved this last year until way on in August and, lo and behold, you had cut the programme in the psychiatric services at St. Mary's way back. You've got the letter I had so I can't quote the figures but it was quite dramatic.

Hon. F. S. Miller: It is part of the year.

Mr. Ferrier: I don't know whether it was part year or not, but it was a major cutback to what they had requested.

So they came down and they talked to John Maynard, I think it was, one of your officials and they talked to you at the Ontario hospital convention and you restored some of that budget, so it wasn't such a dramatic cutback as appeared when you gave the first letter of approval. But even with the part you restored, there are still some major things left out of that budget.

They were led to believe by officials of your ministry that the renovations for the outpatient programme in the old nurses wing and the putting in of some new windows—because they say there are spaces beside the window frames so you can see right outside and it's pretty cold—that those kind of things would be considered as operating expenses. After they submitted them your people said, "No, that's not operating expenses, that's capital expenditure and you've got to treat it as that. You pay a third and we'll pay two-thirds."

They felt that because they had taken the programme to help the ministry out and to help the community out that they wouldn't have used that part of the nurses residence or they wouldn't have had to knock out partitions and do all that kind of work. They felt it wasn't justified that you asked them to accept that as a capital cost.

Another thing that was very bothersome to them was the fact that there is no security officer, I believe, in either the inpatient wing or the outpatient wing and you expect nurses to deal with a person who is very disturbed. They have had people who jumped out the window. I think that kind of thing needs serious consideration.

As far as the rehab programme and the aftercare programme was concerned you arbitrarily cut it in half. It just looks as though somebody said, "Well, that's too much so we'll just halve that," as though they are a computer or something that doesn't try to understand what is involved.

If you've made the major saving that you say you are going to be making at our expense, then I don't think those kinds of parings and seemingly arbitrary cutbacks are really justified. The people have tried to work with you on this programme and they feel kind of upset about this. I know you can come back at me and say that as far as the capital construction programme is concerned it was tendered a good deal more than you had allotted for it. We appreciate your concern and your funding of that, but if they hadn't accepted the tenders the work wouldn't have gone on anyway, so it wasn't really their fault that it was over and above.

I know that you are having this looked at and I hope that you are prepared to make further adjustments, because those people have got so disturbed that they say they can hardly talk civilly to the people from your ministry when they go up there.

[8:45]

The other thing I want to bring up in connection with this is the whole question of the district hospital that you've been talking about. Apparently, a reporter from the Porcupine News phoned down and you told him that because the hospitals weren't prepared at this juncture to accept the health council's recommendation of getting the two hospital boards together you had shelved the project and you weren't considering it. That's the way it came out in the Porcupine News. The thing that bothers me is if you go into an area and make a commitment that you are going to do something, surely you must have some studies and some reports that would lead you to believe that this is the course of action to take. You surely are not guided solely by political expediency.

Interjections.

Mr. Ferrier: I've gathered that the minister has tried to operate the ministry apart from crass politics, that he's tried to do things on a rational basis—

Mr. Bain: He is crass politics with a smile.

Mr. Ferrier: —with facts and figures and valid reasons for the policies that he puts forward and the decisions that he reaches. I would expect there are lots of this kind of study and thought and reason that would lead him to make the statement that he thinks there's a district hospital needed for that area. I think there is at some juncture. Certainly there needs to be some way of attracting specialists into that area and there's got to be some way of providing greater bilingual service in the whole of the northeast.

There are also political considerations in the consolidation of the city of Timmins. The community of South Porcupine is very jealous of its community. They still are not thinking completely of Timmins as one city and it's going to take some time to work that out. I don't think leaving the two boards as they are and encouraging greater co-operation is any reason for scuttling a regional hospital which you originaly had proposed. It's going to require some statemanship and some tact, but we are growing together slowly and in time we will come together as far as hospital care is concerned much more quickly than you really think.

There's already a piece of property bought which all have agreed is a valid location. It's on the outskirts of what used to be the town of Timmins. I think your health council has got to be a little better in selling some of the proposals they formulate. I don't think they're very much in contact with the communities they are supposed to represent. I don't know that you've got any elected persons on there. They are all appointed. I don't think there's the councillor of one municipality on it.

Hon. F. S. Miller: Yes.

Mr. Ferrier: I'd like to know who they are. Maybe you can tell me when you reply. I'm not so sure that the health council is really selling any of these programmes. They are putting forward ideas and then they are letting the people run off in two different directions. As I say, I think it's going to take time, but all the area will accept a district hospital in time.

That report in the Timmins-Porcupine News that the whole thing is now off because you're having problems was a little bit premature, I think. I hope you've thought a little bit more about it or else maybe you've been misquoted. I hope you're keeping your options open and will look at the kind of service that you hope to provide at some point when the funds are available in that region.

You have talked to me about a rehabilitation area for chronic care people—and that you think there are a number of chronics who can be rehabilitated. You want that kind of a facility some place in the northeast and maybe that's in your thinking about the regional hospital. I don't know. But I don't think you should scuttle those kinds of thoughts and plans that you have had all of a sudden. I think that they are reasonable—they are feasible. But it is going to take a little bit of a selling job by some of the people up there—you want to pour a little bit of oil on troubled waters and get the trust of the whole community and then you can go ahead.

I have spoken quite lengthily and maybe the minister will have some response.

Hon. F. S. Miller: Mr. Chairman, I seldom congratulate members, but I realize when we moved into your town and closed the psychiatric hospital we were causing major problems for the district. I have to say that while you pleaded for—I think the wrong mike is on again, by the way. Is that one not working?

Mr. Angus: Eenie, meenie, minie, moe.

An hon. member: Move over one notch.

Hon. F. S. Miller: I can move over one notch as long as it gets it on the record, because otherwise it doesn't show up.

Interjection.

Hon. F. S. Miller: I am not worried about you hearing. I want Hansard to get my words of wisdom.

Mr. Moffatt: Recorded for posterity.

Hon. F. S. Miller: I have to say to the member that considering the difficulty of the case he acted in a very reasonable co-operative way while putting forward the legitimate complaints of the people in the area. I have to also say that the hospital did. In the beginning one of our compromises was to leave the 20 beds at the psychiatric hospital base, even though in our own opinion they were probably better in town. The hospital then suggested that it would take these beds.

We have had problems, and all I ask is some understanding at the local level that the programme is not working as well as it should mainly because we still don't have a psychiatrist. It is interesting that the other town in which this same change was made, Goderich, has found that the 20 beds are adequate. Outside of some professional disagreements that are going on, we believe the programme is coming along reasonably well—and I heard that from their own lips last week. So I have every reason to believe that as we get a psychiatrist to go north, and as you know that has always been a problem even when we had the psychiatric hospital there, then the programme itself should meet our expectations.

Let's both keep an open mind on the question of money. Hospitals quite understandably have a tendency, whenever something new happens, to do their best to get the maximum number of dollars added to the base for that programme—because we don't restrict the spending of those dollars to the particular programme. I suppose it's like bartering cars. They are just trying to make the best possible deal for their hospital. They are doing, I am sure, an honest job. But at the same time I have to look at it with a bit of a jaundiced eye to see that they aren't getting a few things in that perhaps they might have wanted for other things that they couldn't get in the normal course of events. Let's both keep our options and our minds open on that, and I hope we will find a resolution that's fair.

As you mentioned, I have seen the board chairman at least twice on this issue—three times that I know of, as a matter of fact. The first time it was related to the health council's desire for them not to build their addition. I then got the two of them together in the middle of the summer and got agreement to go ahead, even though had the new hospital been in the immediate future it would have been wise not to spend that money. That very agreement tacitly accepted the fact that the new hospital was still some years off.

There are people who say we don't need a new hospital in Timmins—that in fact the two hospitals are adequate. I think though when I visited you first in May, 1974, I was impressed with one thing. The communities of South Porcupine and Timmins had already agreed that they wanted one hospital. They knew where they wanted it and they weren't arguing about it. That impressed me. I was very fresh from the Haileybury-New Liskeard-Cobalt problem. It hadn't quite reached its climax at that point, but certainly I was aware of the potential down in that area. If you look back at the clippings from your newspapers in May 1974 and again later, they mention me commenting that where hospitals were obviously working together, as Timmins and South Porcupine were, the chances of getting money, in a very competitive age and time, were better. I still say that.

The health council did make a recommendation that seemed logical, that if the new hospital was to be built and the site was already agreed upon, they should start amalgamating their operating facilities between now and then so there would be an orderly changeover. They even recommended a time to do it. What surprised me was the violence of the reaction against it. If it was political, then I don't understand it, because the chairman of the board of the hospital that is objecting is a good member of my party, I understand. I can't really be accused of arguing with a man who isn't on my side to begin with; he is—or was.

Mr. Conway: Send him to Lorne.

Hon. F. S. Miller: I think my comments there were that I was concerned at what the evidence meant—not the evidence, but the implications of the reluctance to join boards. It made me wonder if the agreement to have one hospital was as real as the advocates had made me think it was on my two trips to Timmins to look at the site. To me, that's the major problem, because I don't really want to have another Tritown problem. I

think the indication of good faith has to be evidenced by the combination of boards some time before the hospital construction begins. If we need to wait a while, fine, I am not shelving the project, but I point out that the risk of them not being able to co-operate does have the resulting action of delaying or possibly delaying the final building of the hospital.

We said two years ago it would probably be 1980 at the earliest before that hospital would be built—or in the 1980s. I think somebody misread it in the paper, when I said it could delay it two or three years, to mean that it wouldn't be built until 1980 with the delay. I say to you it could be later than that because of the lack of apparent co-operation on the local scene.

If it is illustrating a reluctance of the two towns to come together, yes, I agree we're wise to wait a while. I don't think it jeopardizes the eventual outcome, but that outcome has to have local acceptance. I'm just not going to ram that one hospital down the throats of the two communities until I'm sure both boards want it to occur. That's really all I was saying.

Mr. Roy: Mr. Chairman, I have been wanting for some time to discuss with the minister the hospital facilities in Ottawa. I suppose the last time we had a discussion about them was back in the election of 1975, a year ago, because I have not had occasion to discuss these matters at any length of time in the estimates.

I recall the government got all hot and bothered during the election of 1975 when the doctors at the Ottawa General Hospital put out a report. That report stated, I suppose in very concrete and very vivid terms, the human suffering that was involved in the delay in admitting patients at the Ottawa General Hospital. We've known and talked for years about the fact that, in terms of roads, justice facilities, hospital facilities and other facilities, eastern Ontario, and Ottawa in particular, was not getting its fair share.

Mr. Conway: Here, here—inequality.

Mr. Roy: Over and above this, we now find that not only don't we get our fair share of facilities or provincial government services, but we pay higher taxes. And we pay higher taxes because the minister's colleague, the Treasurer (Mr. McKeough) has imposed regional government on us.

Some hon. members: Oh, oh.

Mr. Conway: They put up with the fellow from Renfrew South (Mr. Yakabuski).

Mr. Roy: The Treasurer is the fellow who masquerades as the champion of local autonomy and says he doesn't want to interfere, but he imposed regional government.

Mr. Nixon: He did that. We voted against it.

Mr. Roy: In any event, it was fully documented in the election of 1975 what the lack of health care facilities meant in human terms in Ottawa and at the Ottawa General Hospital in particular.

[9:00]

I think the minister is obviously aware of these statistics, but just to give you an idea, if one looks at the funds expended in health facilities since 1966 in various areas of the province, the figures are there. But we're only talking about millions of dollars, we're not talking about human suffering; we're not talking about delays; we're not talking about doctors who can't have their patients enter hospitals, or patients who are waiting for serious operations and who have to go through undue delays in length of time; we're not talking about chronic-care patients who are taking up active-care beds and so on.

So I say, when you look at these statistics of the millions of dollars which are expended in various areas, it's there in terms of money. If you look, for instance, at what has been spent in the London area since 1966, we come to a figure of something of $192 million in London.

Mr. Nixon: One hundred and ninety-two million in London. There is no regional government there.

Mr. Roy: In Hamilton, something like about $217 million dollars has been spent from 1966 to 1975. If you look in Toronto, it's $478 million. Of course, if you look in Ottawa, you're at the rate of about $165 million.

Mr. Nixon: That's the nation's capital.

Mr. Roy: How is it that in an area where the population is superior or at least equivalent to Hamilton, and certainly greater than London, we're getting fewer health facilities, that we're given less funds than those areas? The figures are there.

What happens, Mr. Chairman, is that—I was going to call you Mr. Speaker, but that word I say with caution these days—Mr. Chairman, I want to say to you that we've known this for years and the people of Ottawa have complained for years. The reason is certainly not obvious because if there is

an area in the province that has sent a lot of Tories down here it's eastern Ontario.

Mr. Conway: That's what got them the new hospital in Muskoka.

Mr. Roy: I look across at my colleague from Ottawa West who joined with me last year in complaining about this situation. Maybe he will join me again this evening.

Mr. Nixon: He is the francophone member.

Mr. Roy: Yes. But I say to the minister, and I say it especially to my colleague from Ottawa West, what has happened is that the Tories from London, from Hamilton and from Toronto have out-Toried him. They've had a position closer to the ministry, to the strings of power, to the funds, to the pocketbook. That's where the funds have gone.

Mr. Conway: That's the trouble.

Mr. Roy: I want to say to my colleagues that we could talk about millions if they like, but what it boils down to is a question of human suffering. At that point in 1975 during the election a report was brought out by doctors and it said, for instance, on the question of emergency cases, that emergency patients had to wait sometimes 15 hours for treatment. We're talking about people who are waiting in the emergency department of the Ottawa General Hospital; we're talking about urgent cases; we're talking about cancer operations where people had to wait two or three months for an operation.

Things like that don't happen around Toronto, London or Hamilton. The doctors in Ottawa discuss this with their colleagues in Toronto and it's a farce. They say, "How come you're waiting two or three months to get patients admitted in your hospital when down here—" in fact, you went out and polled sections of hospitals in other areas.

Of course, elective surgery around the Ottawa General Hospital is for all purposes non-existent. But this is not limited to the Ottawa General. I was talking again recently with the doctors at the Civic and they're starting to experience problems as well. What happens is that there's a vicious circle going on. The ministry says, "One of your problems in Ottawa is that you have too many active-care beds taken up by chronic-care patients." The doctors say, "That's right, we do, we have that. But where do we put the chronic-care patients? We don't have any beds for them." It's sort of a vicious circle. You say, "You're spending too much money because your chronic-care patients are taking up active-care beds and could be taken care of more cheaply in other institutions."

Having heard this argument long enough, the people at the Ottawa General have tabulated a whole list of hospital days lost as a result of lack of chronic-care facilities, for instance. I've got all of these here, dating back to November 1975. Just as an example, I look at November 1975 and I see here that there were 548 hospital days lost, active days lost. When you consider that the average stay of a patient at the Ottawa General is 9.78 days, it means that 56 patients could not be admitted because chronic-care patients were taking up these beds.

So there were 548 days in November of 1975. If we go into January, 1976, during that period of time there were 1,313 days lost. Again, if you look at the 9.78 days of the average stay, 134 patients were not admitted because of the chronic-care patients taking up these beds.

I can go on, Mr. Chairman, and I think I will. In February 658 days were lost; 67 patients could not be admitted. In March, 1976, there were 555 days; 56 patients could not be admitted at the Ottawa General Hospital. In April, 1976, 919 days; 94 patients could not be admitted. In May, 1976, we lost 1,066 days; 109 patients could not be admitted because of the lack of chronic-care facilities in Ottawa. In June, 1976, 315 days; 32 patients could not be admitted. In July, 1976, we've got 511 days; 52 patients could not be admitted. I go right down to October, 1976, where we have 429 days lost; 44 patients could not be admitted.

So it's obvious from these statistics, Mr. Chairman, that the situation is really not improving in Ottawa. We're scurrying around from one institution to the next, trying to find chronic-care beds. We don't seem to be moving at all on the question of the new hospital related to the University of Ottawa. There seems to be an approach taken by this government to delay things. We're facing an austerity programme; the minister is going around the province closing up hospitals, whether he's got jurisdiction to do it or not. The delay and the fact that you've not spent adequate funds in those areas is being felt in human terms.

These hospitals get ministerial orders saying, "Tighten up your budget, you should be operating more efficiently." I guess they'd be operating more efficiently if they could get their chronic-care patients out of that hospital.

Mr. Chairman, I know this minister is not running the whole show—he's got to speak to Darcy once in a while—but the fact does

remain that it's reduced in human terms. The doctors, I suppose by nature, are reluctant to get involved publicly in this. When you brought out this report last year—oh yes, they were rebuked—and one of your colleagues, the member for Ottawa South (Mr. Bennett) said, "Oh yes, there's a problem in Ottawa—it's those Quebeckers who are coming across the river." Just as though Quebec has moved there over the last while, at which time provisions are supposed to be made about Quebec. That is a red herring. You know it's a red herring, and you know it's a fact.

Mr. Moffatt: Did he say that?

Mr. Roy: Yes, he did.

Mr. Conway: I thought it was Paul Yakabuski's redneck contribution.

Mr. Roy: The member for Renfrew South did say that as well.

It is a fact, that the health facilities in western Quebec are not adequate, but then it's a fact of life that Ottawa just happens to be across the river from Quebec and that there are patients who go both ways. There are Ontario patients who go to Montreal and there are patients who go from Fort Francis or the Lakehead to Winnipeg. I think one of your colleagues suggested there should be some sort of penalty for patients who come in from outside the province and use these facilities. I say it's a two-way street. Ontario is using other areas, and their minister was sensible enough to see that could not be corrected that way.

But what I want to hear from the minister, Mr. Chairman, is when he is going to honour his promises about chronic-care facilities in Ottawa. He has not lived up to them. There was a promise of 300 or 400 chronic-care beds. We've seen at best—what 200?—not even 200. The last figures I saw indicated we did not have 200 chronic-care beds in Ottawa.

But the question remains, when is construction going to start on the new Ottawa General or the new hospital which is supposed to be attached to the University of Ottawa? The Ottawa General Hospital, which is still operating now, was condemned by about four of the minister's predecessors, back in 1960.

Mr. Nixon: Going back to Matt Dymond.

Mr. Roy: Yet that's still the facility we're using. I think it's high time that the good life enjoyed by citizens in Hamilton or Toronto, and the facilities enjoyed by people in London and so on may be enjoyed by people in the Ottawa area. I think it's time the minister really made a commitment to that area. It's all very well to talk millions, because most people feel it doesn't affect them personally, but it affects them in human terms when you see the documentation that was prepared by the doctors at the Ottawa General Hospital.

I would like some response from the minister on this issue, because I want to speak a little longer on the other question of French-language facilities. I can hardly lift this report, but I want to talk to the minister about it a little later.

Hon. F. S. Miller: I'm sure the hon. member's comments will read very well in the local press when he sends them home, but I think he should look at the shopping list for the city of Ottawa and he'll realize it hasn't done too badly. In fact, I'm sure some of his colleagues beside him would like to see their own communities do so well.

Two new hospitals were completed within the last few years; the Children's Hospital of Eastern Ontario and the Queensway-Carleton, which is just coming on now. One new hospital is already planned—Ottawa General—at $61 million.

Mr. Roy: When?

Hon. F. S. Miller: My friend, they are seeing me tomorrow about the money. We've put up our share; now we have to get their share.

Interjection.

Hon. F. S. Miller: There's a poison control centre, one or two in Ontario, in Ottawa. A brand-new cardiac unit at the Civic Hospital, costing over $2 million a year to operate, started this year. More than 190 chronic-care beds were added this year. That's pretty good for one city in one year. There are 322 of your beds being used almost steadily by people from Quebec. That may be a two-way street, but certainly it seems to have more traffic one way than the other.

Mr. Morrow: Just one way mostly.

Hon. F. S. Miller: When we look at those factors, I think we have to realize we have a problem. There were something like 300 people sitting in the Ottawa hospitals who were chronic people. We now have an assessment and placement service functioning in Ottawa as a result of my visit there in September 1975.

You have about 3.8 beds per 1,000 people in Ottawa, I think. That's twice as many as some jurisdictions in the United States—

Mr. Roy: How does that compare with London and Hamilton?

Hon. F. S. Miller: In London I will be closing 1,000 beds one of these days.

Mr. Ferris: What?

Hon. F. S. Miller: My deputy says 400 initially.

Mr. Ferris: A thousand?

Mr. Bain: That will make a nice headline in the London paper.

Hon. F. S. Miller: We're hoping to get the Westminster Hospital in our control; that's where the closures will come. That's been on the books for a long time.

Mr. Ferris: Every election it's been on the books.

Hon. F. S. Miller: The fact is it's being held up by the federal government—not by the province of Ontario.

Mr. Ferris: You said it was finalized weeks ago.

Hon. F. S. Miller: No, I didn't. I said we've crossed the last hurdle; that's what I said.

Mr. Ferris: What are you going to do—

Mr. Nixon: Frank, you should be the last minister to fall into that excuse. The Minister of Housing (Mr. Rhodes) blames the federal government, but not you.

Mr. Acting Chairman: Order, please. The minister has the floor.

Hon. F. S. Miller: Not only that, I went to the province of Quebec—

Mr. Nixon: You get half your budget from Ottawa.

Hon. F. S. Miller: I went to the province of Quebec on November 11, 1975. I negotiated with the Quebec minister to get 200 more beds opened in Hull. I've been given the assurance that would be done. So those things I think I did in the interests of Ottawa, and reasonably effectively.

Mr. Roy: Just to clear up the record about these hospitals that you're talking about. First of all, the citizens of Ottawa and area got together and there was a fund drive for the Children's Hospital. However, the Children's Hospital was a necessary institution and, therefore, it did not alleviate the lack of active care beds for adults in the Ottawa area. Let's be fair about that.

The second thing is that the Queensway-Carleton Hospital was built in an area because a number of citizens from Ottawa—I'll say it, and I don't want to offend anyone, but a good bunch of Conservatives got together and said we need a hospital in west Ottawa.

Mr. Moffatt: Those are mutually exclusive terms.

Mr. Roy: They got funds to build this hospital but, as you know, this hospital is being used basically for chronic care. They don't have many active care beds.

In relation to Ottawa General, where the minister says he's going to spend $61 million, that hospital has been needed since before 1960. I'd like to know from the minister whether he's prepared to put on the record a commitment that there will not be any delay in this. If the minister is trying to say that Ottawa has been spoiled the last while, that is not the case. Some of these are specialized, needed facilities which are taken for granted in other areas of the province. But the Ottawa General is something that has been planned and worked on for many years and it is something we need.

I want the minister to make that commitment, that there will not be any delay in the construction of that hospital.

[9:15]

Hon. F. S. Miller: Mr. Chairman, it's very easy to make promises if you don't have to do the—if you're not responsible; that's one of the luxuries of the opposition.

Mr. Conway: The Premier (Mr. Davis) does it all the time, he ran a whole campaign on it.

Hon. F. S. Miller: The fact remains we had set a price on that hospital. If tomorrow, in my discussions with the various people—and I am seeing them tomorrow—

Mr. Eakins: The minister will be doing it in a few months, why not start now?

Hon. F. S. Miller: That's fair enough. The electorate will have their chance.

If the total cost is properly within those limits which we have prescribed, then you get your hospital almost immediately.

Mr. Roy: Yes, but as the delay goes on and it's stopped and it's on the books again,

you're really saying to the people with your budget, "We're going to give you less beds." And that's not what is required there.

Hon. F. S. Miller: If you think that increasing our share from $30 million to $42 million, or whatever it is, after allowing for inflation, is not accurate, then I haven't read it. We have used the indicators the federal government gave us for inflation since the hospital was originally costed. We have allowed for all those in increasing our share. That is done.

Mr. Roy: Okay. I think it's obvious, Mr. Chairman, that my point has been made. The concern of the minister in addressing himself to that problem is the best evidence there was a real shortage in Ottawa. I give this minister some of the credit for it. But I think that one of the reasons for it is because there was such a stink raised about it during the last election. We were concerned about this problem, and the way to get response and to get public support was to put it in human terms.

Mr. Conway: It doesn't help eastern Ontario.

Mr. Roy: The other thing I want to talk to you about is this report here that I can hardly lift. In fact you probably do exercises on this every morning, lifting it up and down. It's called "Report on the French Language Health Services, Task Force '76."

Mr. Maeck: Don't go through it page by page.

Mr. Roy: I suppose I should give you some credit for having established it and for taking a look at the problem of the lack of French in health services across the province. I think the title speaks admirably for what their conclusions were: Pas Problème, No Problem?—which is basically the approach that's been taken by the government.

Hon. F. S. Miller: Mr. Chairman, there is a question mark at the end of it, you know that.

Mr. Roy: Yes. There is a question mark, and it's well placed.

Hon. F. S. Miller: Yes.

Mr. Roy: If you look at the report they mention without any hesitation that this government does not proceed very swiftly in the implementations of bilingualism. They're being kind when they say that. From the basis of policy to the implementation of the actual facilities or services, sometimes there is quite a delay.

Mr. Conway: But you will get a new driver's licence.

Mr. Roy: I think what they're saying basically is that this government, in spite of the policy, has not really made the sort of commitment you would think a province like Ontario would make. For instance, it should not be prepared to accept that in areas of eastern Ontario there would be psychiatric care facilities treating people, when they can't even communicate with them. It seems to be a lack of humanity to be attempting to treat patients who have this sort of problem when you have difficulty communcating with them.

The children's hospital in Ottawa, for instance, was meant to be a centre for all of eastern Ontario. Some centres in eastern Ontario—for instance Prescott-Russell—are 80 to 85 per cent French. You're bringing children in there, and yet the doctor or some of these specialists—12 out of 12 of these specialists can't speak French. Eight out of eight of the heads of the nursing sections can't speak French. Of the 12 interns and residents, only three can understand French. When you get with children it becomes a problem to communicate. How can you treat them if there is some difficulty in communicating with them? It goes on.

The minister has told me personally before that the way to solve the problem is to proceed with caution, not to raise the flag, as you say, because there is a backlash. I'm not without knowing that it exists and not without knowing that we are politicians and that you don't want to push too hard because you get a backlash the other way. But it reaches a point where caution really becomes an excuse for not doing anything. If there is a commitment and there is a policy, then you should proceed with it. I think there is that responsibility on this province.

I don't want to start sabre-rattling and say if the people in Quebec feel the way they do and if they vote the way they do, it is because they feel that they can only keep their culture and exist as French-Canadians in the province of Quebec. I don't like to use that sort of thing. It is just like saying to Quebec, that if you people decide to go and separate economically things are going to be tough for you. Surely that is the type of blackmail we shouldn't use.

But if we are going to show good faith as Canadians, if we are going to say to the French-speaking Canadians in Quebec, look at how we treat our minority groups in Ontario and we want you to treat the English-speaking minority in Quebec the

same way, do you think the English-speaking residents have that problem in Quebec when they go out for hospital facilities or hospital services or health services in that province? The same thing could be said about the courts and so on.

I think we have to make that sort of commitment, especially from this province, because if we don't succeed in this province, that's the ball game if this province can't make that sort of commitment.

The best evidence that the system works is to show that the minorities in this province can exist as Canadians and can keep their culture and their language. That's the way we operate. That's the evidence right here and a special relationship that Ontario has.

But if we are not prepared to make that commitment here, as Levesque takes over in Quebec, you can just feel it in this province now. I saw it the other day in the House when people felt we've got to start doing more. The Toronto Star is starting to write front-page editorials and all that stuff.

Surely we shouldn't have to wait for that. The commitment must be made and we must proceed with it. I say to you, Mr. Chairman, and to my colleague, that that is the best evidence of the commitment towards this country and towards the protection of the two groups and of their culture and their language. When we get into a situation where we have reports like this that say there is no problem, then that's what they are going to say in Quebec as well, that there is no problem either.

Hon. F. S. Miller: I think the last sentence needs to be rephrased a bit. You know full well that report is not saying there is no problem. The very reason for choosing that title was to emphasize the fact that there is a problem. It wasn't trying to downgrade it. If anything, it highlights it with almost 300 recommendations of one kind or another. There are an awful lot of specific ones in that report. I have read the thing in both languages, as a matter of fact, in an attempt to learn a few more words in the French language because I don't pretend to be bilingual—

Mr. Roy: You are not bad.

Hon. F. S. Miller: —even though that report kindly says I am. I see there's a footnote on page 8, or something to that effect.

Mr. Cassidy: They were casting around for straws at that point.

Hon. F. S. Miller: They were casting around for straws, but I had met with the committee a couple of times. We commissioned that report. We asked people we know would look at the situation and tell us if it wasn't good enough. We didn't ask them to write a report saying we are great guys.

Mr. Roy: I hope not.

Hon. F. S. Miller: We asked them to tell us where on earth we could find a better way of serving the legitimate needs of a minority in this province, something our government is prepared to do. It's much more popular in terms of vote-getting in most of our ridings to stand up and be anti-French culture. The fact is that consistently the Premier and a number of us have stood up and been the opposite. I have been and I will continue to be.

Mr. Conway: Not all of you.

Hon. Mr. Rhodes: Not all of you either, pal.

Hon. F. S. Miller: Not all of you. I think individuals often react in their own areas to these problems. The fact remains that I recognize the legitimate needs. I do recognize that not every Ontario citizen who speaks English finds it easy to get service in Quebec in his own language. I have had to go through that myself a few times with little kids who were hurt in an accident on the highway or something. I lived there for six years of my life, but I will say it is easier in Quebec than it is in Ontario. The basic thing that report points out is that it is not a policy problem but a fundamental shortage of trained people in the health care field who can speak two languages.

Mr. Roy: That's right.

Hon. F. S. Miller: I can wave all the wands I want in terms of policy but we have to have people there who can speak both languages. Frankly, Ontario has been far more liberal.

Mr. Cassidy: It reflects your lack of priority, though.

Hon. F. S. Miller: Sure, it's a priority. The fact remains—

Mr. Cassidy: It reflects your lack of priority.

Hon. F. S. Miller: Please let me talk, Mr. Cassidy. The rest of the evening has been quite tranquil.

Mr. Moffatt: Only because you were making progress.

Mr. Eakins: You were moving right ahead too, Frank.

Hon. F. S. Miller: The fact remains that the University of Ottawa, if you look at the number of French-speaking students in the medical field—

Mr. Roy: It's criticized as well.

Hon. F. S. Miller: —quite a few of them are from the province of Quebec, right? Sadly enough, they will go back and practise there I assume. At the same time, we have great difficulty—not impossible odds, but great difficulty—getting French-speaking Ontario citizens into Quebec universities, do you agree with that?

Mr. Roy: I wouldn't be surprised.

Hon. F. S. Miller: So I think almost half the students in medicine at the University of Ottawa are from the province of Quebec. I'd be delighted to have them stay if they were going to help us out in our problems.

We are determined to act upon as many of those recommendations as we can, as quickly as we can. I've said, I think to the member for Cornwall (Mr. Samis) the other day, that I hope to be able to reply within two months to all of them, or to most of them anyway, and at the same time recognize that that report is written with the ideal in mind and that probably we both agree that not everything recommended in there is entirely practicable. We'll take that which is possible and we will do it at a speed that's acceptable to the majority of the people in this province. I think in the final analysis we will have served both parties well.

Mr. Roy: I just want to mention this thing: I don't want to say that you haven't done things, but all I want to emphasize is that the title really reflects to some degree the state of mind of this government.

Hon. F. S. Miller: Sure it does.

Mr. Roy: You really were overly cautious. The time to be overly cautious about Confederation or the unity of this country and so on is pretty well over. For those of us who believe in the same things that you and I believe in, it's time to stand up and be counted and be prepared to lead. I think it's high time that we showed some form of leadership in this.

The report, if nothing else, will make you realize there are many areas which must improve, that there are going to be some problems in accepting or in implementing some of these recommendations. But the fact remains that the commitment, if you had a commitment in the past, has not been all that obvious, and it has to be obvious now because, as this report says, some people are not receiving or possibly not receiving the attention they deserve because they cannot communicate.

What it boils down to really is that it's obvious from reading this report that not only the government but the institutions as well really haven't turned their attention to this. It is something that they sort of proceed with and always felt that it was not a necessity. So this is why it's important to highlight this. This is one of the areas and these are the types of steps, the types of commitments that we must make. Let's not proceed as we have done in many areas, because I say to you that, sure, politically sometimes it's not that appetizing, but I think you've got to convince your leader to be prepared to make that commitment.

Even though it may well be there is a backlash, I tell you that over the long term surely those of us who believe in this sort of thing, those of us who believe in this country are prepared to make this commitment—and I think that's most citizens in this province. Sure, they've got some hangups about certain aspects of bilingualism, but by and large I think their commitment is to Canada. I think they are prepared to see this type of commitment made in a way to enhance not only the rights and privileges of the minority but in fact to keep our neighbours in Quebec with this country.

[9:30]

I say this is the type of commitment that you've got to make. I just wanted to say that the title seems to reflect really a lack of attention, a lack of awareness that there was even a problem there. Even the University of Ottawa is criticized in this report for not having taken proper steps; you would think that the University of Ottawa, which is supposed to be a bilingual institution, would have taken more steps.

I say to the minister, I don't think this is the only area we are going to have to talk about. We are going to have to talk about justice, about French-language education for English-speaking students, and so on, but I am convinced that the citizens of this province are prepared to make that sort of commitment. I think what we need from you and from that government is a bit of leadership.

Mr. Acting Chairman: The member for Peterborough.

Mr. Cassidy: Bravo.

Mr. Conway: A fine member.

Ms. Sandeman: Mr. Chairman, perhaps I could begin by asking the minister if a dreadful itching goes along with the swine flu vaccination. Is that okay? I mean, am I going to drop dead?

Hon. F. S. Miller: It is the first sign of a fatal illness.

Ms. Sandeman: Oh, dear.

Mr. Cassidy: Eat your heart out.

Ms. Sandeman: I did notice that you had a stretcher coyly hidden up there behind the screens.

Hon. F. S. Miller: That was for our party.

Ms. Sandeman: Oh, I see. Okay. I would like to speak on this vote on the institutional care services, as they relate to both the operation of hospitals and the extended health care nursing home part of the field.

I noticed the minister prefaced his remarks by commenting that one of the reasons he needed to introduce supplementary estimates was because his money-saving programmes didn't take hold as quickly as he had hoped, that some of the savings anticipated for this year hadn't happened and he had to meet the shortfalls. I would like to suggest that perhaps part of the problem that led to that kind of situation in the ministry, and the necessity for supplementary estimates, was that it really is impossible to do overnight the kind of planning that the minister was trying to do for health—to introduce massive cuts in the health care field and to shift his interest to other alternative facilities in the kind of panic way that we saw earlier this year and on the ad hoc basis on which it was done.

I would like to suggest to the minister that he take time to look at what's happening in the health care field in Manitoba, where a five-year programme is in operation, rather than an attempt to cut back the budget in six months and then, six months later, bring in supplementary estimates because you find you can't do it. Back in May of this year, Mr. Desjardins, the Minister of Health and Social Development in Manitoba, announced a five-year programme for health facility construction in the province of Manitoba.

The interesting thing I find about that programme is that it is carefully based on an analysis of the health care needs of the whole province—the acute care bed needs, the extended care needs and the personal care needs, both in Winnipeg and in the rural areas of the province. No decisions were made overnight to close hospitals. In fact, in Manitoba they have set out their objectives in the hospital and bed provision programmes. Their objectives are much the same as we would hope to see in Ontario; to relieve pressure on the waiting list for personal care accommodation and hence on the improper use of hospital facilities; and to enable Manitoba to move towards lower-cost alternative programmes in line with current discussions with the federal government relating to proposed changes in cost-sharing agreements.

The improper use of hospital facilities is something that concerns all health care personnel across the country, and it's interesting to see that Manitoba has taken a grip on that and realized that you can't put a stop to it overnight and save millions of dollars overnight; you have got, first of all, to look at what you have got and then supplement existing beds and explore alternative ways and means of improving services to end up with a rational provision of beds over a longer-term period.

In fact, what they have done in Manitoba is to add 973 personal care beds and to construct more than 1,500 personal care beds, but I believe 607 of those were replacing substandard facilities. Thus, as you increase the number of personal care beds, at the same time you may cut down on unnecessary acute care beds in hospitals. But you have to do both at the same time. You have to do it on a long-range plan and you have to do it after considering what you already have in your province and what you need.

What we saw in Ontario last winter and in the spring of this year was a panic-stricken reaction to some severe cash flow problems in the province, to a very large deficit, a very large burden of debt interest on our finances, and we say ad hoc-ery of the worst kind. We saw, for instance Doctors' Hospital closed and after that the announcement of a bed study; the uses of beds in downtown Toronto. Any sane planning would have studied the bed needs first and closed the hospital second, if indeed it was necessary to close the hospital. It's extraordinary that that kind of thing should have happened in that Alice in Wonderland fashion.

Then we get the extraordinary sequence of events around the Hillcroft private hospital, which the minister announced would be closed. And then the Premier turned up at a testimonal dinner for Glen Hodgson—I didn't have the pleasure of knowing Glen

Hodgson but I believe he used to be a member of this House. The Premier turned up at a testimonial dinner in the riding in which Hillcroft private hospital is situated and announced at the dinner, to the surprise of the owner of the private hospital, "I am turning this hospital into a nursing home," which was—

Hon. F. S. Miller: Oh, oh, oh. That's not true.

An hon. member: Can you correct that?

Mr. Chairman: Can you rephrase that?

Hon. F. S. Miller: Pardon me. I think the member has erred in her conclusion.

Mr. Moffatt: Either that or the newspaper was wrong.

Hon. F. S. Miller: I personally told that lady, before my heart attack, that we were doing that.

Ms. Sandeman: Oh, I'm sorry. I thought you meant it wasn't going to be turned into a nursing home—Oh, I'm correct that it was to be turned into a nursing home.

Mr. Breithaupt: It was the doer, not the deed, he was referring to.

Ms. Sandeman: Okay. We needn't argue about when she was told—

Hon. F. S. Miller: It certainly wasn't to her surprise.

Ms. Sandeman: Okay: We needn't argue about when she was told and when she was not told. The point at issue is that the nursing homes in this province have been asked to go through a perfectly sensible series of stages if they wish to extend their beds. The ministry tells us that studies are done of nursing home bed needs in particular areas.

Nursing homes in the Lindsay-Peterborough area have for years been applying for extra beds and have been turned down, apparently because there was no need in the area for extra nursing home beds, so the nursing home operators were told. Bobcaygeon, interestingly enough, already has two nursing homes, one of which was, I believe, the only nursing home in that area to have been granted new beds within the last year and suddenly we see that a private hospital which wasn't needed can, overnight—before your heart attack—turn itself into a nursing home.

Not unnaturally, the nursing home operators in the area were saying: "What about the previous bed freeze we were told about? What about the tendering procedures we all have to go through? Does this hospital meet the standards laid down by the ministry for nursing homes? Pretty rigid standards, and quite rightly so. What is the expense of turning the private hospital into a nursing home going to be?"

It seems to me that that is another example of ad hoc-ery. I hesitate to call it political opportunism if, indeed, it was you who made the announcement and not the Premier at that testimonial dinner. At the time that we're looking at the range of alternative care to replace your hospital beds, your misused hospital beds, we have to consider what is happening to home care in this province.

I find it very difficult to consider home care in a vacuum. Home-care patients, as the minister suggested, can relieve the pressure on hospital beds and in fact many of the patients who are being cared for in nursing homes or at home are patients who, if those beds are not available, are taking expensive hospital beds. But, once again, when we look at what's happening to the home-care programme we find reaction to crises—apparently long-term planning has gone out of the window. Local areas in home care are finding it almost impossible to make rational sense of the budgeting procedures. I am sure the minister is familiar with what happened in Peterborough this year. The VON in Peterborough maintain home-care services that are typical of similar organizations across the province. They submitted their budget last March, a rock-bottom budget, very carefully thought out; but they didn't receive a firm budget from the ministry until early in September when they were told that they were 20 per cent over their allowed budget and that they would have to cut out $55,000. That means that for the last six months of the financial year they're going to have to cut by 40 per cent. They were told when they spoke to Dr. King that apparently a $2 million cut in global budget for 38 home-care programmes had been imposed by the ministry, which would be a 15.5 per cent cut over all, and the cut would have to be absorbed by all the programmes across the province.

It's already evident, in many home-care programmes across the province, that the reductions are being made, or were being made even before the September announcement, in the care given.

Mr. Chairman: That is in vote 3003; that is another vote.

Ms. Sandeman: I am trying to tie it in, Mr. Chairman, with the relationship to the acute-care beds in hospital which are improperly used. The pressure on them could be relieved if home-care facilities were available. My remarks are tending toward some proof of that.

Mr. Chairman: There is $1.2 million in vote 3003, item 2, for that.

Ms. Sandeman: Yes, but we are talking about institutional care.

Mr. McClellan: There is a connection.

Ms. Sandeman: It is very difficult. The whole problem with the ministry is that we have to speak of it as a whole. You can't plan rationally by thinking of home care as a distinct item separate from the others.

Mr. Chairman: If we were dealing with the estimates of all of the activities of the Ministry of Health, you could get it in under policy. But since we're dealing with specific items for additional funding for supplementary estimates, in order to keep things on an even keel I would appreciate it if you would stick to item 3 in vote 3002, institutional care services.

Ms. Sandeman: Yes.

Mr. Bain: That is what you were doing, keep going.

Ms. Sandeman: That is what I was doing but he has interrupted my train of thought. What is happening because of the cutback in home care is that hospital patients are not being allowed home. That is another reason we need supplementary estimates for hospital care. What has happened in Peterborough is that the hospital programme that is tied in with home care—if you'll excuse me mentioning the connection, Mr. Chairman—is having an extra strain on it.

We have, as the ministry is well aware, a very good record in the Civic Hospital in Peterborough of one-day surgical admittances. I think 50 per cent of all the surgery done in the Peterborough Civic Hospital is on a one-day bed occupancy basis and the patients are then discharged with home care follow-up where necessary.

However—and I don't know how I'm going to slip this past you, Mr. Chairman—because of the cutback in home-care funding it looks as if it will not be possible any longer to discharge these patients on a same-day basis, and therefore we're keeping them in expensive hospital beds which is costing more in the long run, unnecessarily.

The same kind of thing applies to cataract programmes. Cataract patients shouldn't have to stay in hospital for more than four days. With a decent home-care programme, the institutional cost could be cut down by discharging the patient to home care. However, when you cut back on a home-care programme by 40 per cent in the last six months of a programme, it means you have to keep cataract patients in hospital, adding to the cost of institutional care.

[9:45]

The minister mentioned in his discussion on this vote, or perhaps it was in his introductory remarks, some pilot projects in programmes which were to be alternatives to institutional care; quite expensive pilot projects. I think there were three—one in Thunder Bay and I've forgotten where the other two were. Interestingly enough, in Peterborough the home-care people haven't waited for ministry guidance to go into an expensive pilot project. They have taken it for granted that part of the reason for their existence is to provide alternatives to institutional care. They have set up with the physicians of the community, after long, hard work, a service which they call a substitute for hospital care programme and they use it as an alternative to that expensive institutional care which we've been discussing.

However, with the continued cut in their budget for the end of this year it looks as if they may have to abandon that programme and those patients are going to be causing you maybe the reason for your supplementary estimates.

I think I would be dishonest if I continued my remarks on home care. I think I've made the tie-in and perhaps you'd allow me to come back on the next vote on home care.

Hon. F. S. Miller: I only point out that last year the Peterborough home-care budget was $213,000. This year it's $270,000 and I find it difficult to understand that being interpreted as a 40 per cent cut.

Ms. Sandeman: Am I allowed to answer that?

Mr. Chairman: Yes.

Ms. Sandeman: Thank you. The 20 per cent cut is on the budget that was sent in by the VON in March. The reason for the increase, of course, is that the criteria have changed quite considerably since last year. As the minister himself mentioned, home-care programmes have expanded and there are changes in programme eligibility, so you

would expect an increase. For instance, home care now covers physiotherapy for nursing-home patients. Homemaker services under public-health-nurse supervision have been increased and you have to allow realistically for that increase when you're setting up a budget. Which doesn't mean to say you do not set up a careful, pared-to-the-bone budget if you are as careful as the VON people are in Peterborough.

The 40 per cent cut comes about because they were cut 20 per cent from their expected budget, but six months before the end of the year, so that they had to achieve all the savings during the last six months of the year. Of course, you're aware of what happened in October when some zealous bureaucrat told them he would like to make all the cut at once and told them they would have no cash flow for the month of October. I'm happy to say that that problem was solved.

I understand also, if the Chairman will allow me to complete my train of thought, that they were told, "You are panicking too soon. We don't really mean it that we're going to cut $55,000 from your budget. We'll set a final figure in November." If I may say so, it really isn't good enough to set a final budget for the 1976-77 budget year three-quarters of the way through the budget. There is no way in which local programmes, either at the institutional or home-care level, can make rational decisions if they don't know until late in November what they're going to have to spend. I hope you can give us some assurance that that won't be repeated next year.

Hon. F. S. Miller: Mr. Chairman, if I sat here listening to the various comments of all the members who make it look like we're a bunch of ghouls who cut everybody mercilessly, how then am I spending half a billion dollars more this year than last year on health care?

Mr. Germa: You're wasting it.

Hon. F. S. Miller: I'm wasting it. I've tried to point out that some of the things I'm doing in terms of reducing certain services is because I genuinely believe we're wasting it in certain places and that I need the backing of you gentlemen and ladies in this Legislature. We sent guideline letters out to Peterborough 'way back at the beginning of the year. They sent in a budget 33.6 per cent over last year's budget in spite of the guidelines. If anybody gets a guideline letter and totally ignores it when he spends his money, surely he will run out of money before the year-end. You can't really get information from us in March saying you're allowed to increase last year's budget by this and spend at whatever rate you wish and then complain at the end of the year because somebody says you've overspent the amount.

Even then we came along and bailed them out with $30,000 to $40,000 extra to keep their programme going, and frankly, if every home-care service in this province chose to set its own eligibility criteria without any respect to those set by us, we would have no control, no matter how worthwhile the programme is. Therefore, one must live within the parameters set by the policy. That's why we have three experimental project areas in Hamilton, Thunder Bay and Kingston, to determine if we can spend the money more effectively.

I think my opening comments said I would be delighted to spend more money in this area providing that in fact the alternative savings are effected in the rest of the system. I'm just hoping we might be through by 10:30, Mr. Chairman, so I'll say no more.

Mr. B. Newman: I wanted to raise two issues with the minister concerning item 3, the institutional health services programme.

The first issue is a long-standing one that is concerning the phasing out of the Riverview Hospital. Is the minister's decision firm on that? Do you intend to close the facilities as of March 30 of this coming year, or are you still negotiating—

An hon. member: Terrible.

Mr. B. Newman: —with the IODE people and particularly with the chairman of the board of Windsor Western Hospital, a Mr. Mason, who has been attempting to get from your officials a statement as to the expenses involved with the hospital?

Mr. Bounsall: Say you're flexible. Say you're flexible. Change your mind.

Hon. F. S. Miller: You know how flexible I am.

Mr. Bounsall: You can be on this one. There is simply no economic argument for closing!

Hon. F. S. Miller: I'm wating for some information from the health council and until I get it I'll make no more comment.

Mr. B. Newman: Then, in other words, we can assume that your decision is not firm, that the hospital may remain after March 31 of the coming year.

An hon. member: Until after the election.

Mr. B. Newman: I hope that the minister will provide statistical information to the individuals who have asked for it in the same form that he has normally provided information. The latest figures that your officials have given to them are sort of jumbled up and there is no way of making a comparison between the way they have submitted their figures normally and the way the minister has submitted them normally in the past.

The other issue that I wish to raise with the minister is concerning the curtailment of certain elective out-patient services. I know the minister is aware that the Metropolitan Hospital has been forced by him to curtail certain services. As a result of the curtailment, Mr. Minister, you may be restricting the budget of Metroplitan Hospital, but what you are actually doing is adding to the overall total cost for the health services in the community. Because now Metropolitan Hospital can no longer carry out certain outpatient services especially when it comes to certain tests. It sends the patient to private labs when the facilities at Metropolitan Hospital and maybe other hospitals could be used. In sending them to the private labs you have only substantially increased the health services costs in the municipality.

Could I have a reply from the minister to that comment?

Hon. F. S. Miller: I've been aware, Mr. Chairman, that many hospitals tried to offload lab work because a global budget allowed them to do just that—to send it to private labs when, in fact, they had the capacity within the institution to do the work.

They are not paid on a fee for service basis. We've spent a good deal of time looking at the problems that give a hospital an incentive to send work out. I can't say that I have any solution yet but I think we're approaching some. I can also say that the budget letters that are going out today and tomorrow—a month before the end of this year, for the next 15 months—give them total dollar budgets for the hospital, with no restrictions on how they use those funds.

Mr. B. Newman: Then may I bring to the attention of the minister the letter that Metropolitan General Hospital had to mail out and to give to patients at the hospital? It's dated August 30, when this issue broke in the community.

"Dear Patient:

"We sincerely regret that we have had to reduce certain elective outpatient services, and we hope this measure will be a temporary one.

"The amount of outpatient services which the hospital is permitted to provide is limited by, and is in direct proportion to, the funds allotted by the Ministry of Health. During the past 20 months the demand for these services at Metropolitan General Hospital has been in excess of the amount approved. The phenomenal increase can be attributed to two major factors: (1) The general trend of population growth on the east side of the city and the easy accessibility to the Metropolitan General Hospital; (2) the consolidation of neoplastic services at this hospital. These require more diagnostic tests than most of the other types of services.

"For the year 1975 the hospital may not recover the costs for the excess outpatient work performed. It now appears that for 1976 the hospital will not be reimbursed for an even larger amount. In this event, the hospital would be in a most difficult financial situation.

"The specific outpatient problems have been discussed with the Ministry of Health during the past year. They will now be presented to the new Essex County District Health Council. Failure to obtain a revision in the distribution of health funds will extend the outpatient service constraint period indefinitely. The present severe restrictions will continue until the excess service already performed falls within the approved amount. We hope that this will occur before the year end.

"The decision to reduce services was reluctantly taken, and the hospital regrets any inconvenience it may cause you. Your family doctor has been advised of the constraint, and you should contact him with a view to making other arrangements to have your tests carried out.

"We hope that we will be able to serve you again in the near future, and we ask for your understanding and co-operation during this difficult period. Sincerely—" and it is signed by Mr. J. A. Ritchie, executive director.

You will note in that letter that he specifically mentions that the family doctor has been advised and other arrangements will have to be made to have these tests done. All the minister is doing is adding extra costs by referring this work to the private labs.

Hon. F. S. Miller: Mr. Chairman, I sometimes get a little angry at hospitals who play a double game. That hospital got $2.5 million more this year than last year. That's a heck of a lot of money. If you listen to that letter —and that was a power play, as far as I'm concerned—it was a game they were playing;

they figured if they got enough people upset in the community they'd get the extra money they thought they were entitled to. The fact is that $2.5 million more than the previous year for a single hospital is an awful lot of money.

Mr. B. Newman: The minister is also aware that he transferred patients from the Riverview Hospital to that hospital; so even though he may have provided additional funds, he also had additional patients in the hospital. That will easily account for the additional funds.

Mr. Mancini: Why don't you tell us that?

Mr. B. Newman: The minister should want to tell both sides of the story too.

Mr. Chairman: Is the hon. member for Windsor-Walkerville finished?

Mr. B. Newman: I thought I would get a reply from the minister on my last comment. The minister has no comment?

Hon. F. S. Miller: No reply.

Mr. B. Newman: Then he prefers to have the total health costs in the community escalate to a lesser degree by having the services performed in the hospital as opposed to a private lab?

[10:00]

Hon. F. S. Miller: Mr. Chairman, at the end of the month the hospital withdrew that letter.

Mr. Burr: Mr. Chairman, may I ask the minister whether he thinks that the total bill to the government through OHIP will not be greater for these lab tests than it would have been through the hospital itself?

Hon. F. S. Miller: Mr. Chairman, the slowest growth section of my budget this year—the one that is underspent—is OHIP.

Mr. Burr: Nevertheless, that's not answering my question.

Mr. Moffatt: You spend money just because you haven't spent it?

Hon. F. S. Miller: No, no. I am just saying that during the year the actions we have taken to control the demand on lab tests have been fairly effective. I am not condoning what happened in Windsor or anywhere else, and Windsor wasn't unique. Hospitals around this province in a number of instances did much the same thing one way or another. I really didn't think it was particularly fair of them to do it because they knew they could get an immediate local reaction. Other hospitals went along and did their darnedest to work within the amounts of extra money we gave them.

I got one of the highest increases in government this year. It wasn't like some of the other ministries that got fewer real dollars this year than last year. I got more real dollars for health care. There were more jobs in the hospitals in Ontario than there were last year. I find it a bit difficult to accept when hospitals, which could have done the work within their global budgets for less money, make the decision themselves to send the work out into a high cost area. I agree it was more costly to let it go out. I didn't like them doing it. I found many hospitals, on the other hand, that did their level best to help us in a tough year.

Mr. Haggerty: I would like to discuss a problem with the minister; not to spend money but to suggest to him a way to save money. I have mentioned to the minister on previous occasions—I think for the last five or six years to the different government ministers—the matter of nurses' residences. Throughout Ontario many municipalities have constructed these residences close to the hospitals. One in the city of Port Colborne—I think it was constructed in 1968—has been vacant for almost that length of time. It hasn't been used to the fullest extent.

I suggest to the Minister of Health—and to the Minister of Housing, I'm glad he is here tonight—that they could make good use of this vacant building in the city of Port Colborne. There are about 50 self-contained units in this building. It could be used for a senior citizens' residence, and there is a great need for further senior citizens' residences in the city of Port Colborne.

I think this is one way the Minister of Health can dispose of the building. He can either sell it to the Minister of Housing for a senior citizens' residence, or rent it to the minister and generate some revenue.

There is also a nurses' residence in the city of Welland—I understand it was just constructed a few years ago—that is vacant too. I understand that the former nursing school in St. Catharines has a large nursing residence there. I don't know how many floors it has but I understand it contains a number of units and it is sitting there almost vacant. I'm not quite sure about this particular one but I understand there is a possibility it is vacant also.

The minister should be making use of these vacant nurses' residences throughout Ontario. I am sure that there could be a vast savings in money. It costs money to heat those buildings all year round and to maintain them. If they are sitting there vacant you are missing the boat, Mr. Minister, by not making some general use of these buildings.

Hon. F. S. Miller: First they don't belong to me, they belong to the hospitals. Secondly, I totally agree with you. Thirdly, I will be glad to recommend it to my colleague, the Minister of Housing.

Mr. Haggerty: The Minister of Health has contributed a large amount of funds—

Hon. F. S. Miller: Yes, but I don't own them.

Mr. Haggerty: This is right, but I think you should have some input—

Mr. Deans: The Minister of Housing—

Hon. F. S. Miller: I can only say in the city of Hamilton that's been done. I believe the nurses' residence in Hamilton is currently being used as a residence for people who just come in and rent a room. In fact, if I am not wrong, there was comment from some people in the business that it was unfair competition, wasn't there?

Mr. Deans: Don't involve me in your problems.

Hon. F. S. Miller: I'm just looking at you for confirmation.

Mr. Deans: Don't look at me. I am not the minister.

Mr. Haggerty: I am delighted to hear the minister say that they are making some use of them.

Mr. Deans: What's the matter? Can't you fight your own battles?

Mr. Haggerty: But why in this particular instance can't you use some of your persuasive voice in the matter of bringing a finalization to this agreement between the Minister of Housing and the Port Colborne General Hospital Board?

Hon. F. S. Miller: Mr. Chairman, I don't know that it is proper for me to tell them what to do with it. I want them properly used.

Mr. Deans: Tell him to direct his question to me, I will answer it. Remember the last time you told somebody to do something with the hospitals.

Mr. Moffatt: Subtle, subtle.

Hon. F. S. Miller: However, I'd be glad to whisper in their ear.

Mr. Deans: I think I was about to raise a question on behalf of the hon. member for Lake Nipigon (Mr. Stokes) who does such a magnificent job as the chairman.

An hon. member: Oh, we'll agree with that.

Mr. Deans: He has a problem that he wants to bring to the attention of the minister, and he asked me if I would raise it for him, since he can't from the seat that he's currently in.

I wonder if the minister has given any further consideration to the difficulties that confront the people who reside in the immediate area of the Terrace Bay hospital, knowing full well that the Terrace Bay hospital has been condemned, that it is a fire trap, that it doesn't have adequate outpatient facilities, that it provides little if any heart treatment facilities, and that there is currently a major industrial undertaking by Kimberly-Clark which will bring in at least 260 new families into the immediate area, which in itself is justification for at least an adequate health-care facility?

Does the minister think that some time in the fairly near future we might be able to get the approval of the finalized plans, the more detailed plans, rather than the approval in principle that has been given but which in itself is rather meaningless, since it doesn't provide one single brick, or doesn't make any clear indication to the people of the area that their immediate needs are about to be met?

Hon. F. S. Miller: Just about a week ago I met with the general medical supervisor of Kimberly-Clark, I believe a Dr. Dedmon—does that ring a bell with you as the right name? I discussed the Terrace Bay problem with him. I can assure you it is on my list. I told Dr. Dedmon that within two or three weeks I'd be getting a complete list of all the potential capital projects in the province. I would then try to tailor them to the tiny amount of money left to me for capital projects for next year. Believe it or not, it is only in the range of $20 million that I have to play with—$20 to $30 million.

Mr. Moffatt: What's 20 or 30 million?

Hon. F. S. Miller: In terms of hospitals, when you heard somebody a minute ago talking about one hospital at $60 million—

Mr. Grande: What I am concerned about is the term that you have it "to play with."

Hon. F. S. Miller: I am trying to tailor as many starts as possible into the number of dollars that I have that are discretionary. It happens that that hospital is still doing pretty well on my priority list. I won't know for perhaps a week whether it makes next year's or not, because I have to see just which hospitals are the most critical in my total list. It certainly has to be one of the more important ones involved in terms of where we have to go. I think it's 23 beds, if I recall.

Mr. Deans: It is not any great facility.

Hon. F. S. Miller: I suggested to Dr. Dedmon, and I'd recommend to the community too, that they start looking at Red Lake and Atikokan hospitals where basically stock plans were used. If you recall, between the time I approved Atikokan hospital about May 30, 1974, and the time it was built was about 15 months. This would be one of the ways, if we are able to say yes, that both time and money would be saved in that area.

Mr. Deans: I want to say on behalf of my colleague, who knows as much about this as I do, maybe even more—

Hon. F. S. Miller: I think so.

Mr. Deans: —that they could easily provide the facility that he requires with a very small number of dollars out of $20 million.

Hon. F. S. Miller: Two million dollars.

Mr. Deans: Two or three million dollars would adequately provide for the needs of the area, considering the fact that Kimberly-Clark is spending some $200 million or $300 million.

Anyhow, I want to turn to another matter because it's closer to my home though not closer to his heart. I was wondering whether in that $20 million, I understand from a letter that I received yesterday or the day before, or Friday last, that Mr. Orris was meeting again with the Hamilton-Wentworth health council to discuss their progress in determining the possibility of providing some kind of health-care facility for the east end of the Hamilton area. My colleague the member for Hamilton East (Mr. Mackenzie) and I, together with his predecessor, have probably spent more time on this one problem than we have on any single problem that I can recall. I wouldn't be exaggerating if I were to say that we haven't been entirely happy with the progress.

I can't think it would be unkind to say that we weren't satisfied in the fullest that the previous health council had even begun to address itself to the needs of that area. The current health council has now been in existence for about a year—maybe not quite a year, maybe eight to nine months.

Hon. F. S. Miller: Since January 28.

Mr. Deans: Is that right? They have been in existence for some time and I haven't seen any evidence of their eagerness to provide even a plan that would begin to meet the need. I don't know whether it's because they have been too busy. Mind you, I have to confess the difficulties we had over Chedoke tended to keep some of us busy for a while, but that seems to have been resolved.

There is a rather large expansion of homes and families taking place in the east end of the city of Hamilton and in the Stoney Creek area, which my colleague from Hamilton East and I jointly represent. I think that anyone looking at Hamilton would appreciate that the facilities currently available are not geared to meet the needs of that expansion and that expansion is likely to continue for some considerable period of time. The emphasis that has been placed on the rebuilding of the Hamilton General Hospital, necessary though it may well be in the eyes of some, I think is undue, over and against the needs that are evident in the east end of the city and the west end of the town of Stoney Creek.

I would like to ask the minister, given that it is now just slightly over two years since I got what I considered to be a commitment from the minister, whether he thinks that maybe we could expect to see something more concrete before the next election. I am not sure when that might occur. Maybe you have more insight into that than I have. I wouldn't like to go back to the people of the area and say that I have another commitment but I still don't have a building or even the indications of what, where, when and how; but whatever it is that's going to be built is going to be built. Perhaps you would like to address yourself to that for a couple of minutes.

Hon. F. S. Miller: I sent the hon. member a copy of a letter from Mr. Orris to the Chairman of Management Board (Mr. Auld) the other day, saying they were discussing it at the very time you were asking me the question. I would suggest that we are put-

ting pressure on them for the resolution of that problem. In fact we wrote into our request for a rationalization of the beds in the city of Hamilton an insistence that part of the city get the proper level of health care —health services I think is the way we defined it—and we are pushing them. I believe we are meeting with them again on Monday next.

Mr. Deans: I don't want to be privy to private conversation, but by the same token I think that in all fairness this is not a political matter. This has nothing to do with partisan politics at least. I would very much appreciate if the health council could see fit to allow my colleague and I to hear what it is that they are considering in order that we might properly represent the people who elected us. I think it is fair to say that neither he nor I, nor anyone else, has made it a major issue as far as the elections or otherwise are concerned. I think the need is there, and if the minister could we would appreciate very much the opportunity to sit in.

Hon. F. S. Miller: I would suggest two things. First, both of you are very welcome to discuss with Milton Orris, the area planning co-ordinator, your concerns, and I would be glad to instruct him to contact you to do so. Secondly, it might be very wise if you both had some discussions with the health council itself, because we are leaving this, as we properly should, to its resolution. I recognize their problems in their first year of operation. Even though they are very senior in other ways, they have reorganized and I believe they are going through some problems of alignment with the various providers in the community. Your direct intervention in this matter, I think, would probably be very useful.

[10:15]

Mr. Deans: Just one final point on it and then I'll let it go.

I don't have the letter in front of me, but my recollection of the letter that was sent to me, I believe it was in October of 1974 —I think that was the first time that I ever received anything concrete with regard to this proposal—my recollection of that was that as a condition of the extending of the funds for the rebuilding of the Hamilton General—Now the rebuilding of the Hamilton General is going along apace; they are already in the process. And I understood that the funds were forwarded on the basis of them having shown a plan for the provision of care for that east end.

I think that it would be all too easy—and I'm not suggesting that they don't care, because I'm sure they do, and I know many of the people on the health council are just as concerned as I am—I think it would be all too easy to delay it until another time. I think that's really what's happened over the last 24 or 25 months and I think that before we go any further with the rebuilding we should simply say that there has to be a clear indication, because the people in the east end deserve that kind of an indication.

I want to turn to another point with you, if I may. I confess that this was perhaps an isolated incident, but it's only isolated becaused I haven't had a chance to check it out and I raise it with you very briefly. I was concerned to have it reported to me by a very agitated lady the fact that she could not have a relative admitted to a hospital because there wasn't a bed in Hamilton area. The lady was suffering from something which, if I were to describe it to you, I'm sure you would agree was of a crucial nature. I'm not going to get into the details of it here.

I was surprised to find that the hospital and the doctor involved simply stated that there wasn't a bed, emergency or otherwise, in the Hamilton area that he could find for her. Have you recently reviewed the numbers of beds in use since the more recent cutbacks to determine whether the per capita use and the daily use of the beds is reaching a point that might be crucial?

Hon. F. S. Miller: I think it's always dangerous to make an assumption on the basis of one refusal, but it would seem that you're still over-bedded in the area, and that the real question would be how well are the beds being used. There is an assessment and placement service, I believe, functioning in Hamilton and that assessment and placement service should be looking at the utilization of beds.

Mr. B. Newman: In discussion with the minister concerning the phasing out of Riverview Hospital, I made mention about the financial statistics and analysis that the ministry provided to those who are attempting to point out to you that the phasing out and the closing up of Riverview Hospital is really not a savings in dollars, but simply a transferral of costs from Riverview to the other hospitals in the community.

Earlier in my comments I made mention of a David Watson. It should have been David Wilson rather than Watson. Professor David Wilson, chairman of the board of IODE, said the Ministry of Health had out-

lined Riverview's financial status, but it wasn't done in the format the board could understand and in the format which was agreed upon. Will you not provide to them the statistics that they require in the format that was originally requested and which was agreed upon by you people?

Hon. F. S. Miller: I am told that the latest figures for Riverview were provided in the format they requested.

Mr. B. Newman: As of when?

Hon. F. S. Miller: November 19.

Mr. B. Newman: November 19? Thank you.

The other issue I mentioned to the minister concerned the curtailment of services at Metropolitan Hospital. Now, I want to read this letter to you because it shows you how one class of patients that use Riverview Hospital are really being penalized. This was addressed to me back in April of this year; it came from a constituent. This concerns cutbacks at Metropolitan General Hospital on blood samples for outpatients which means, in her instance and in many other instances, victims of cancer.

"When on chemotherapy, you must have a blood sample every week before treatment. The treatment itself is inhuman—the after-effects and so forth—and you're very ill. I know from personal experience. But you could get it over with in one day—three hours' waiting time on a good day. Hundreds of victims for Essex and Kent counties — children, teenagers, middle-aged and elderly.

"To take a blood sample from a cancer patient on chemotherapy requires skill that is not going to be found in any clinic. Your veins collapse, are hard to find. It takes patience and knowledge and you will not find it in any other place but in Metropolitan Hospital, because no one else deals with cancer patients. Most patients are too ill to question anything, but I'm not. Getting a blood test now will require an extra day; and since most people are driven by volunteer workers, I wonder how they're going to make it."

The balance of the letter is really not important, but I would like the minister to reply to that when he talks about the curtailment of services at a hospital, especially the curtailment of services in relation to cancer patients at Metropolitan General Hospital, which is the chief hospital for that type of service.

Hon. F. S. Miller: I don't have the knowledge to reply to that. I'll just have to look into it.

Mr. Chairman: The hon. member for Timiskaming.

Mr. Conway: Great fellow.

Mr. Ferrier: Outstanding.

Mr. Bain: That means a lot, Mr. Chairman, coming from an almost northerner.

Mr. Conway: Do you own a bakery?

Mr. Bain: Mr. Chairman, I trust you'll be able to keep the unruly member for Renfrew North under control.

The matter that I'd like to raise with the minister tonight is one that he is familiar with; that is, the future use of the old Kirkland Lake hospital. I'm sure the minister will remember in the House when a petition was presented on two separate occasions. The petition finally had over 8,300 signatures of people in Kirkland Lake and area. This petition called for the conversion of the old Kirkland Lake hospital into a chronic care and extended care facility.

The petition was supported by all segments of the community—the Kirkland Lake council, the medical association, the hospital board, the United Steel Workers and the Chamber of Commerce. The petition was a genuine feeling of support for the idea of converting the old Kirkland and District Hospital into a chronic care and extended care facility.

I realize that the average person doesn't have the expertise that officials from your ministry have; therefore, they look at things in a quite straightforward fashion. In Kirkland Lake we have a building that is a good building, a building that is still worth a considerable amount, and we also have a need in the area for facilities in extended care and chronic care.

It would seem to the average person that that makes a good match. We have a need and we have a vacant building, an excellent vacant building. The ministry, upon receiving this petition, upon questions asked by myself and upon resolutions passed by the local council, was agreeable to conducting a hospital accommodation survey. The survey was conducted in May and it was apparently mailed out in August by the Ministry of Health.

The only problem with the survey is that it's typical of most government surveys. It's nebulous at best and confusing at worst. I

think that one could use the survey to support almost any position that one wanted to hold. I would hope the minister wouldn't use the survey to justify not converting the old Kirkland and District Hospital into a chronic care facility, because I feel that that would be the best use that could possibly be made of the old hospital building.

There could also be use made in a rehabilitation-nursing care sense as well. We estimate that if you consider the need for chronic extended care and rehabilitation nursing care you need approximately 60 beds in the Kirkland Lake area. The old hospital could be converted at minimal cost. You wouldn't have to undertake extensive remodelling.

The main section of the hospital is less than 20 years old—approximately 15 years old—and the hospital itself is in very good shape. Presently it's being maintained by the Ministry of Government Services. There are security guards on duty and it's now been heated through one winter and we're starting our second winter. So the government is laying out a considerable amount of money already to maintain the building, yet there seems to be no disposition in sight for the building.

As I said, the need is very great. The patients who could use this kind of a facility are there already and would like to be able to move into it. There are people who are in the senior citizens' residence, Teck Pioneer Residence, who would better use a facility such as a chronic and extended care hospital.

There is also a tremendous lack of senior citizens' units in our area. I think this is true of the north in general. I think this might be an area where the ministry could start something that would be innovative. We know that your ministry and the Ministry of Community and Social Services tends to compartmentalize people, and you say, "Well, senior citizens' units—that's taken care of by the Ministry of Housing. They'll have to build some senior citizens' accommodation." Sure, that's nice to say, but the Ministry of Housing has consistently had a limited budget and the units are not being built nearly in the quantity that they're needed.

Here we have a hospital building, a good building, that has rooms in it that could be easily used for senior citizens who would like to live in a senior citizens' apartment atmosphere. Not only could you have extended care and chronic care, you could also have a good mix; you could have some sort of senior citizens' units as well.

The need, I think, is very difficult for the minister to appreciate because he may not be totally familiar with the number of elderly people in northern Ontario who just do not have adequate facilities. One group of people that have a tremendous need are single senior citizens. I know a number of elderly miners who have long since retired and are living on inadequate pensions, who live in rooming house facilities.

Would the chairman like me to move adjournment and we can—

Mr. Chairman: We could pass the vote.

Mr. Germa: Seventeen people are waiting.

Mr. McClellan: Mr. Chairman, I don't think we are under any constraint to finish this evening, if I understand correctly from the House leader. Perhaps we could continue the debate on Thursday.

Mr. Chairman: Can you break your remarks here then?

Mr. Bain: I will continue with the need for this facility for retired miners and such or I could continue that next time we sit, Mr. Chairman, so I will move adjournment then.

Mr. Conway: Broken again.

On a motion by Hon. Mr. Auld, the committee of supply reported progress and asked for leave to sit again.

On motion by Hon. Mr. Auld, the House adjourned at 10:30 p.m.

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Afternoon Session

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LEGISLATURE OF ONTARIO

THURSDAY, DECEMBER 2, 1976

The House met at 2 p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

CLASSIFICATION OF NEW DRIVERS

Hon. Mr. Handleman: Most of the members are probably now aware through the media of the announcement that insurance premiums for new drivers will be considerably reduced—as much as 44 per cent in some instances. We are very pleased that the Insurance Bureau of Canada has seen fit to recommend the programme at this time.

The initial step goes back about a year when officials of my ministry first contacted representatives of the insurance industry with the proposal. I should point out that the Premier had a deep personal interest in the discussions and has participated in many of them.

Statistics indicate clearly that young drivers are involved in a disproportionately high number of accidents and, of course, most new drivers fall into the category of young drivers. Nevertheless, we feel the time has come to give the new driver the opportunity to get behind the wheel without the presumption of guilt currently reflected in the high rates paid by all members of this group. With this in mind, the programme was developed to provide incentives for beginning drivers to establish and maintain a clear driving record.

Without going into the nuts and bolts of the actuarial determinations, the industry has traditionally had five categories—driving records 0, 1, 2, 3 and 5—reflecting the highest through the lowest premiums respectively. A new driver who has completed an approved driver training course will now enter the insurance market at level 3. A driver who has not completed an approved course would enter at level 1. The difference in premiums between levels 3 and 0 could be as high as 44 per cent, while the level 1 driver can expect to save 16 per cent rather than the 10 percent which was originally reported. In either case a new driver involved in an accident, for which he or she is totally or partially at fault, would regress immediately to level 0 and could then progress upwards again based on years of accident-free driving.

Companies belonging to the Association of Independent Insurers plan to adopt the programme immediately and other companies have expressed approval in principle. No doubt, there are many problems to be worked out, such as the definition of an approved driver training course, but we expect, and urge, speedy acceptance by the entire industry. We assume the industry will publicize the programme as it is implemented. We advise the new driver to seek out participating insurers and not to assume the rate quoted to him reflects the new programme.

My officials will continue to work with the industry to develop changes in reporting which will be necessary in order to implement proper monitoring procedures.

PROVINCE-WIDE CONSTRUCTION BARGAINING

Hon. B. Stephenson: Later this afternoon I will be introducing a bill to establish province-wide, single-trade bargaining in the organized industrial, commercial and institutional sector of the construction industry. This bill embodies the main recommendations contained in the report of the Construction Industry Bargaining Commission which I tabled in the Legislature on June 4, 1976.

Members will recall that on tabling the report, I announced a number of substantive and technical details required exploration and further study before any portion of the report could be implemented. I, therefore, authorized the inquiry commission to make a detailed assessment if those matters in consultation with all persons potentially affected. The process of assessment and consultation, conducted by the commissioner, Mr. Donald Franks, and senior officials of the Ministry of Labour, has now been completed. I am pleased to report to members of the House that the commissioner advises me the contents of the bill which I shall be introducing today has broad support from both labour and management in the industrial, commercial and institutional sector of the construction industry.

The bill, as I have emphasized, is confined to the industrial, commercial and institutional sector of the construction industry and will result in the reduction of bargaining situations from 205 to approximately 25, as a result of the requirement that bargaining within that sector be conducted on a single-trade, province-wide basis. This is the prime feature of the bill. There are two important related features: First, all collective agreements within that sector will be for two years and will be required to expire on a common date; second, provision is made for the designation of a co-ordinating agency to enable employer bargaining agencies to exchange information and data and to engage in related co-ordinating activities.

The reduction of key bargaining situations to 25 or so recognized trades or crafts in the industrial, commercial and institutional sector should eliminate disruptive intra-trade and inter-regional bargaining rivalries, and thereby bring a greater measure of rationality and stability to that bargaining process. The requirement to bargain by trade on a province-wide basis should encourage the parties to adopt broader perspectives in bargaining, to the benefit of employees, employers and the province as a whole.

Mr. Roy: Thank the member for Sarnia (Mr. Bullbrook).

Hon. B. Stephenson: Finally, the resulting concentrated nature of bargaining within the sector should enable the Ministry of Labour to provide even more effective and innovative mediation services to the parties. In the past, with more than 205 key bargaining situations to service, it has been difficult to develop the most effective and systematic approach to dispute resolution in this important sector of the construction industry.

It is also important to stress the need for this bill to be passed during the current session of the Legislature, if it is to be available to the parties for the forthcoming round of negotiations. As hon. members know, approximately 70 per cent of all collective agreements in this sector of the industry expire on April 30, 1977. Therefore, it is essential that the bill be enacted in order to provide sufficient lead time for the parties to form the agencies necessary to conduct the province-wide bargaining which is required under the legislation. I hope all members of this House will appreciate that this bill embodies a unique labour relations concept.

Mr. Roy: That's right; it's ours.

Hon. B. Stephenson: In assessing its worth and its practicality, I have relied in considerable measure upon the advice and the assurances of many of the affected parties, employers and trade unions alike. Indeed, the degree of bipartisan support and encouragement has been remarkable. I believe that kind of co-operation and evidence of common purpose between labour and management must be encouraged.

However, it is, as I have said, a new departure in the structure of collective bargaining, and therefore the government must carefully monitor the new process as it evolves. As the monitoring proceeds, I will not hesitate to recommend changes as circumstances may require.

The last point I should wish to make is this: Since the imposition of economic controls by the federal government, my ministry has been searching for ways in which the free collective bargaining process can be improved, in order to operate effectively and reasonably in the post-control economy. I sincerely believe this bill is one important step toward that goal.

Mr. Roy: Are you going to thank the member for Sarnia?

Hon. B. Stephenson: I've already done it.

Mr. Roy: No, you haven't. Publicly you didn't.

CURRENT SALARY NEGOTIATIONS

Hon. Mr. Auld: On October 28, I advised the House that tentative settlements within the guidelines had been reached at the bargaining table in two of our eight salary categories. At that time, I expressed the hope that a pattern was developing which would result in similar settlements in all the other categories.

I am delighted to report, therefore, that not only have we reached tentative agreement on all salary categories but we have as well tentative agreement on a one-year employee benefits contract and a two-year contract with respect to the classification system.

I would like to say that union officials and other employee representatives on the bargaining committees are to be commended for the realistic position they have adopted in this year's negotiations. In recognizing the existence of the wage and price guidelines and agreeing to settle within those guidelines, they have shown a sincere desire to represent the best interests of the members at large.

All tentative agreements are, of course, subject to ratification by the membership and approval by the Anti-Inflation Board, and I hope I will soon be able to report affirmative responses in both areas.

HYDRO POWER REDUCTION

Hon. Mr. Timbrell: As members are no doubt aware, some technical difficulties at the Nanticoke coal-fired generating station have resulted in Ontario Hydro taking 500-megawatt units out of service for repairs and testing. As a result, Ontario Hydro advises me that the province would face the possibility of incurring brownouts during the period necessary to make those repairs.

A brownout is a planned reduction in power which is implemented to avoid a breakdown in the electrical supply system. To consumers, a brownout means lower voltage and consequently dimmer lights in the initial stage and, if necessary, a second stage of rotating cuts in power supplies to selected areas while ensuring there is no interruption to essential services such as hospitals.

[2:15]

In addition to the technical difficulties at the coal-fired Nanticoke generating station, the current situation has been caused by low water levels supplying Ontario's hydraulic generating stations and—

Mr. Haggerty: Not on Lake Erie.

Hon. Mr. Timbrell: —an unusually high demand for electricity by Ontario consumers, no doubt caused by the cold weather.

Fortunately, Ontario Hydro's reserve margin in generating capacity of 28 per cent is just able to cope with the problem, barring unforeseen circumstances. However, that reserve margin has been cut to six per cent, which by anyone's standards is too close for comfort.

Because of the situation, Hydro has cut all exports of interruptible power to interconnected utilities and in fact is purchasing electricity from New York State. In addition, cuts have been made to industrial customers with interruptible service. Hydro is examining the possibility of purchasing power from Michigan, Manitoba and Quebec but their utilities are also facing tight supply situations.

Energy conservation is essential at all times, but it is particularly important now until such time as the Nanticoke station has been returned to full service. This is unlikely to take place until after Christmas. Therefore I am asking all consumers—residential, commercial and industrial—to curtail their use of electricity as much as possible—

Interjection.

Hon. Mr. Timbrell: —in the next while, especially during the peak period from 4 p.m. to 7 p.m. when the most electricity is used each day.

I would like to emphasize that this is not a crisis but that the situation does necessitate more prudent use of electricity. I would like especially to suggest that people eliminate all non-essential uses of electricity, including decorative lighting, during the peak period.

Mr. Breithaupt: Cut off that microphone.

Mr. Cassidy: You should have adopted my bill about daylight saving.

Mr. Speaker: Order, please.

Mr. Reid: Turn off your shredders between 4 and 7.

Mr. Speaker: Oral questions.

HOSPITAL CLOSINGS

Mr. Lewis: A question for the Minister of Health, Mr. Speaker: Are we right in assuming that the appeal cases on the closing of the various hospitals are not likely to occur until well into the year 1977—that is perhaps February or March? Is the minister then in a position to guarantee continued funding for another period of time beyond December 31, 1976? Has he communicated that to the hospitals involved?

Hon. F. S. Miller: I am not aware of any change in the court. I was just going to ask the Attorney General that same thing. I had heard a rumour through one of the members of the press—

Mr. Roy: Just make sure he doesn't argue your case.

Hon. F. S. Miller: —that there was a delay until February, but I have not been able to confirm that. On the other hand, I stand by my original statement that the hospitals will be funded until such time as the matter is resolved, either in the courts or in this Legislature.

Mr. Lewis: Perhaps I could redirect. Has the Attorney General an agenda or a timetable? Does he know when the case is likely to be heard?

Hon. Mr. McMurtry: I had expected the case would have been heard in December; it might be heard in December but there is a very strong likelihood it may not be heard until January. That's my present information. If I have any better information, I will report to the House.

Mr. Roy: Supplementary, Mr. Speaker: I wonder if the Attorney General might advise whether the Minister of Health has asked him to argue the case on the government's behalf?

Mr. Sargent: He's booked to take them.

Mr. Speaker: Any further questions?

Mr. Roy: He has a date; you know why.

Mr. Breaugh: He is just trying to make some money.

Mr. Stokes: Did he ask you, Albert?

TRAINING SCHOOL DEATH

Mr. Lewis: A further question if I may for the Minister of Health: Has the Minister of Health yet had the opportunity to look at the inquest recommendations in the case of Norma Dean and the specific recommendation or request for the Ministry of Health and the Ministry of Correctional Services to work out some kind of relationship whereby information can be passed and after-care can be maintained? Is he able to indicate to the House what he might do in relation to this particular recommendation?

Hon. F. S. Miller: I received the very brief copy, as I am sure the member did, just within the last short while. I don't know how quickly he had his but mine came to me within the last 30 minutes. I did read it. I wasn't quite sure what they meant by a yearly orientation programme between the two ministries.

Certainly I am sure both myself and my colleague, the Minister of Correctional Services (Mr. J. R. Smith), will be glad to look into it and perhaps also find out a little more clearly what the coroner's jury had in mind when it made that recommendation.

Mr. Lewis: By way of supplementary, without wishing to provoke argument: Can I ask the minister on the basis of some of the evidence that was provided at the inquest that he have a further discussion with Thistletown in an attempt to persuade this premier centre of government treatment centres that it should stop charging as many adolescents as it does before the courts as a way of showing them the fashion in which the law functions, and perhaps seek other therapeutic alternatives?

Hon. F. S. Miller: I don't even need to talk in the future tense. I can talk in the past tense. I can tell the Leader of the Opposition I have met with the director and with the administrator. I can tell him I have issued a written order—

Mr. Lewis: Have you?

Hon. F. S. Miller: —that no child may be sent before the courts without my personally reviewing the case first.

Mr. Lewis: That is excellent.

Mr. Shore: Didn't you get that piece of paper?

Mr. Lewis: I would trust the minister's lay sensitivities over their professional expertise three out of five times.

Mr. Breithaupt: Four out of seven at worst.

Mr. Lewis: Look, 60 per cent for a Tory seems pretty generous to me. I'll leave it at that.

INCREASE IN ELECTRICITY USE

Mr. Lewis: A question, if I may, for the Minister of Energy: Can the minister explain why the megawatt demand has jumped from 14,500 in February 1976 to 15,500 in December 1976, a jump of 1,000 megawatts in that period of time, which doesn't seem to be accounted for by simple residential use? Has the minister made a breakdown of this unusual jump?

Hon. Mr. Timbrell: The breakdown by region—

[Failure of sound system.]

Mr. Roy: We are saving on the power.

Hon. Mr. Timbrell: —type of use would not be available for a number of months, but the main thing is the unusually cold weather for this time of year that we are experiencing in some parts.

Mr. Lewis: Cold in February, too.

Hon. Mr. Davis: Christmas too.

Hon. Mr. Timbrell: In terms of degree-days and impact, I think it is worse right now than it was then.

Mr. Ruston: It is cold in the banana belt right now.

Ms. Gigantes: I would like to ask the Minister of Energy whether the kind of breakdown that we are experiencing at Nanticoke would lead him to reconsider the kind of centralized generation system that Hydro has been building and the danger that puts us in, in terms of—

Mr. Speaker: Order, please. That is not supplementary to the intent of the first question, which had to do with the jump in demand. There could be a new question later.

Mr. Reid: It's better than most.

MERCURY POLLUTION

Mr. Lewis: A question, if I may, to the Minister of the Environment: Can the minister table with the Legislature the final report, if such exists, on the levels of mercury found in the soil in the vicinity of the American Can company in Marathon, and indicate to us what action his ministry intends to take?

Hon. Mr. Kerr: Yes, if such information exists, I will be happy to table it in the Legislature.

Mr. Lewis: Is the minister not aware that such information exists?

Hon. Mr. Kerr: Yes, I am aware of a report that deals mainly with the receiving stream at Marathon and an assessment that was made prior to a prosecution. I haven't had a chance to look at the details of that report. If it includes soil, the report will be tabled.

Mr. Lewis: By way of supplementary, I have a memo from within his ministry from December 1975; I gather it was further pursued in 1976. Can the minister go back to look at and explain the assessment surveys in the vicinity of the pulp and paper mill in Marathon, showing what they describe as "very high levels of mercury found at three sites to the south of the plant. Very high levels were found to the south of the chloralkali plant and concentrations therewith."? How is this mercury getting into the soil? Is there any danger since local inhabitants and kids use it? What kind of procedures is the minister taking?

Hon. Mr. Kerr: As American Can is using mercury in its process, particularly at its chemical chloralkali plant, there are bound to be emissions from the stack at that plant. As well as loss of mercury in its effluent, about which we are concerned, there is also a loss by way of emissions that would contaminate the soil surrounding the plant.

OHTB BUS LICENCE

Mr. Lewis: My last question is to the Minister of Transportation and Communications before he leaves. Is the minister willing to bring together the Resources Development secretariat, of which he is a part, to hear submissions from the various aggrieved groups involved in the Greyhound-Gray Coach controversy before a cabinet decision is made?

Hon. Mr. Snow: I think that question should more appropriately be answered by the chairman of the Resources policy field rather than myself. Before I would answer it in any case, I would like to give consideration to it and get some advice as to whether that would be appropriate.

Mr. Lewis: Now that the Minister of Transportation and Communications has given the cue to the Provincial Secretary for Resources Development as to how he might respond, perhaps I could ask that minister, in view of the growing agitation around the Gray Coach-Greyhound controversy, would he consider, as part of the decision process, having his committee hear submissions from the Toronto Transit Commission, the unions involved, and interested citizens, since that seems not to have been available in total to Mr. Shoniker when he made his decision?

Hon. Mr. Irvine: I certainly would consider it. I don't know all the legalities of the case. I've listened to my colleague, the Minister of Transportation and Communications, in the last few days answering questions. As far as we are concerned, in our policy field we meet with as many delegations as we feel we possibly can. I have no reason to say I wouldn't meet with the people the member is referring to.

Mr. S. Smith: A question to the Minister of Transportation and Communications: Could he comment on and confirm the report in the Toronto Star which quoted a Greyhound official as saying that that company spent "thousands" to bring 70 witnesses from northern Ontario, from Buffalo and from Rochester to Toronto for the board hearings into the application which is presently in dispute?

Hon. Mr. Snow: I likewise read the article. I have no way of knowing whether that quotation is right or not. I have no way of disputing the correctness of it. In many cases when applications are before the board, some of which are very extended and some of which require witnesses to come from considerable distances and perhaps spend several days until they have their opportunity to appear, for either side in the action, I'm not sure of the policy of either the applicants or the respondents, whether they feel obligated or whether it is appropriate for them to pay the expenses of witnesses who are appearing. I'm not sure how this is done.

Mr. Cassidy: You're condoning the use of big-money tactics.

Hon. Mr. Rhodes: Oh, you're as phony as a three-dollar bill.

Interjections.

Mr. Speaker: Order, please. The hon. member for Hamilton West only has the floor.

Hon. Mr. Rhodes: It's called a subsidy and you're in favour of that.

Mr. Speaker: Order, please. The member for Hamilton West.

Mr. S. Smith: Can the minister assure the House one way or the other regarding whether or not the board was aware that the witnesses who appeared at the hearing had their expenses paid by one of the companies that was before the board, before the hearing? Would the minister not agree that it might be a better system to have the board pay witness fees, much as a court of law does, and then assess costs among the various applicants to the tribunal?

Mr. Drea: Why don't you read the select committee report?

Mr. Cunningham: Why don't you implement it?

Mr. Drea: Teach yourself.

Mr. S. Smith: Teach the minister.

Hon. Mr. Snow: I have no way of knowing. I have not asked—

Interjections.

Mr. Speaker: Order, please. The hon. minister has the floor.

Hon. Mr. Snow: I have not communicated with the chairman of the board to find out whether the board members hearing the case were aware of witnesses' expenses being paid or not.

Mr. S. Smith: I will ask the Premier briefly on the same topic: In view of the considerable concern that this matter is causing Metro Toronto, which after all indirectly owns Gray Coach and now finds the company will lose its main profitable routes, would he be willing to meet with chairman Godfrey of Metro Toronto to discuss the matter before the cabinet reaches its decision?

[2:30]

Hon. Mr. Davis: I think, in fairness to the member for Hamilton West who, I know, wants to be fair, he would want to correct the impression he has left that Gray Coach automatically loses its routes. As I understand it, and I haven't read the decision, Gray Coach doesn't lose anything.

Mr. S. Smith: Read it.

Hon. Mr. Davis: It doesn't lose the routes. All I'm trying to do is suggest that when the member suggested it loses the routes that is factually not the case.

Mr. S. Smith: The result is the same.

Hon. Mr. Davis: The impact on Gray Coach may or may not be significant, I am not prepared to prejudge it.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Davis: I think we should try to be factual in dealing with these matters. I understood the member for Hamilton West might be asking me today whether I would be prepared to meet with the chairman of Metro. I have never refused to meet with the chairman of Metro—I certainly can't think of any reason for refusing to meet with the chairman of Metro, or with the mayor of the city for that matter.

Mr. Lewis: Why not?

Hon. Mr. Davis: I've met some of your friends from time to time—whenever you've asked, I have.

Mr. Lewis: Not often.

Hon. Mr. Davis: I do point out what I said to the member for Hamilton West the other day. I do ask him to consider, and perhaps he could discuss it with his colleagues, the appeal to cabinet on any issue, as I've expressed in this House before, is a system or a procedure with which I am not

particularly comfortable. I think this applies to my colleagues in cabinet. We are often called upon to review decisions when we are not totally expert in the field. I would confess right now to the member for Hamilton West that I don't purport to be an expert in terms of the issuance of licences for bus companies or truckers or whatever.

Mr. Roy: I wouldn't stop there; keep on going.

Hon. Mr. Davis: I would say to the member for Ottawa East, unlike him I don't purport to be an expert in anything, but I do my best.

Mr. Conway: That's obvious.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Davis: I have been here quite a while now and the more I'm here the more I realize that you people are far more expert than we are and I accept that.

Interjections.

Hon. Mr. Davis: The only thing is, thank heaven the public doesn't see it that way and that's what's relevant.

Interjections.

Hon. Mr. Davis: I am not saying to the member for Hamilton West that I would refuse to see the chairman of Metro. I don't think he has asked to see me—not that I know of yet. He may have; I haven't heard this. I do suggest it may be that I will say to the chairman of Metro, if there is an appeal—and I gather from press reports there is an appeal being prepared—it would be more appropriate to make that sort of decision or consideration after an appeal is lodged with the cabinet.

I try to draw parallels of cabinet sitting in a semi-judicial sense. Would it be appropriate for somebody who momentarily takes on the aura of a judge of a court to be talking to witnesses in advance of the hearing?

Mr. Breithaupt: The Premier should never do that.

Hon. Mr. Davis: The member for Kitchener would immediately say, "The Premier should never do that. That would be totally inappropriate."

Mr. Reid: You win. We give up.

Mr. Nixon: The answer is no.

Mr. Reid: Is that yes or a no?

Interjections.

Hon. Mr. Davis: I would have to think it through very carefully.

Mr. Cunningham: Given the known disposition of the minister on this particular contentious issue, would the Premier exclude him from these discussions when it reaches the cabinet?

Hon. Mr. Davis: I don't think the hon. member really would expect that the Minister of Transportation and Communications, who has some knowledge and expertise and experience in this field, should be excluded from the discussions by the executive council. I think the member, in making that suggestion, probably hasn't thought it through carefully and really didn't suggest to me, I'm sure, that the hon. minister not be included in those deliberations.

Mr. S. Smith: I take it that the answer to all that was yes, but I will never know.

BILINGUAL COURT SERVICES

Mr. S. Smith: A question for the Attorney General: Is the Attorney General planning to take any action to correct the situation in which probation orders from courts in Ontario, even in areas with a very large francophone population, are written entirely in English, even in situations where the orders themselves contain many important provisions that the person who's on probation needs to be able to obey and to respond to? Why can these not also be provided in the other official language of this country?

Hon. Mr. McMurtry: Mr. Speaker, we certainly are trying to extend our bilingual services throughout our court system, throughout the justice system in this province. I will certainly look into the matter that the hon. member opposite raises, and if he could give me any specific examples this would be of assistance to us.

Mr. Cassidy: Supplementary: In view of the minister's reply, can he give us an assurance of when bilingual services will be introduced in the courts in Ottawa, since pilot programmes are under way now in Hawkesbury and in Sudbury?

Hon. Mr. McMurtry: No, I can't, Mr. Speaker.

OTTAWA LAND SALE

Mr. S. Smith: In the absence of the Treasurer (Mr. McKeough), if I might direct a question to the Premier: Is the Premier or the Treasurer planning to initiate some form of public inquiry into the matter of the land sale by one Aubrey Moody in which it is alleged that Mr. Moody and his partners were able to make a profit of about $950,000 in a sale that was recently written up in the Ottawa Citizen?

Hon. Mr. Handleman: Would you say it outside the House?

Hon. Mr. Davis: Mr. Speaker, I must confess I haven't read that story in the Ottawa Citizen. I hadn't heard of it until this moment. I will discuss it with the Treasurer and one of us will have an answer for the hon. member—perhaps not until Monday.

Mr. Roy: Supplementary: I wonder if the Premier could verify with the Treasurer that his ministry was aware of the complaint back in 1974, and aware of the fact that the former reeve—he was a councillor—who participated in a discussion on the planning board and so on, did not reveal his interest between 1972 and 1974? This was brought to the attention of the ministry. Could the Premier ask the Treasurer to give us some explanation why no action was taken then?

Hon. Mr. Davis: Mr. Speaker, the member for Ottawa East has, as is his wont, set out what he believes to be certain facts, and I'm not disputing them. He knows full well I don't know whether they are the facts and he is asking me, in advance of ascertaining whether what he says is factual, for a response from the minister.

Mr. Roy: It usually is.

Hon. Mr. Davis: I know the member for Ottawa East really wouldn't expect that I would do this. I will bring this matter to the attention of the minister and one of us will have an answer for him, as I say, perhaps by Monday.

FUNDS FOR ALEXANDRIA CENTRE

Mr. S. Smith: A brief question, if I might, to the Minister of Community and Social Services:—

Mr. Nixon: The Dickensian minister.

Mr. S. Smith: With regard to the mental retardation project in Alexandria, which comes under the vocational rehabilitation branch of the ministry, can the minister explain why it is that the money never seems to arrive there, and that for the second month in a row they didn't have money to pay the salaries of the people who are on that grant? Can he confirm that the hon. member for Stormont-Dundas-Glengarry (Mr. Villeneuve) was able to assist and get the money for them a month ago, but now the same problem has arisen again, and they're just not able to get their money from the ministry? What is going on?

Hon. Mr. Taylor: Mr. Speaker, in general terms may I simply say this, that there have been some problems in regard to the workshop areas in terms of funding pertaining to the mentally retarded. The reason for this was that their budgets were approved on an annual basis. In a number of cases there's been an expansion of their programmes, and in the area of mental retardation physical expansion of plant; and of course the operating expenses which would be attendant upon a physical extension of a plant would be permitted under our current policy.

In a number of cases, workshops have gone ahead and expanded their programmes and their numbers without first obtaining the approval of my ministry, with the result that they have substantially used up the year's revenue before the year has expired. In general terms, that is a problem we have experienced with a number of cases.

Mr. S. Smith: Not this one.

Hon. Mr. Taylor: What I have said, and I've said it in the House before and I'll repeat it to the member again today, is that there will be no workshop closed in the province because of lack of funding where that workshop is operating in a reasonable way. I've personally reviewed a number of them and I will continue to do so to assist them. I've also said we will assist them in terms of suggestions—that is use the expertise of our staff—and also in terms of financial planning.

Mr. S. Smith: By way of brief supplementary, I appreciate the discussion and I'm sure of the minister's intentions, but could he please guarantee to us that he'll look into the precise details of the Alexandria location, where they are well within their budget and in fact have earned more money than they were expected to and yet have this frustrating problem, way off in the corner of the province there, of being unable to pay their staff each month?

Just let the minister give me his personal assurance and I'll accept it.

Hon. Mr. Taylor: Again, I wouldn't single out that one. I'd be happy to work with the hon. member and with the workshop on that.

Mr. S. Smith: Thank you.

TUITION FEES

Hon. Mr. Parrott: On November 30, Tuesday of this week, the member for Scarborough-Ellesmere questioned the necessity for an increase in tuition fees since—and I quote from Hansard:

"The minister has decided to spend $44 million more than he had been advised to by the OCUA"—Ontario Council on University Affairs.

The member then asked me, and again I quote from Hansard:

"Will the minister table a definitive response justifying a budget far greater than that which was devised by OCUA; and when will we see the report from the advisory committee on student aid?"

Mr. Conway: Take it easy.

Hon. Mr. Parrott: At that time I suggested the member might like to reconsider his figures. However, I understand he does not wish to avail himself of that opportunity and I have therefore undertaken to respond to him today.

Mr. Mancini: Easy. Easy.

Hon. Mr. Parrott: And it is as follows: OCUA recommendation 76-7, on page 19 of their report to me, calls for a funding level of $702.8 million to be provided through grant or fee increases compensated by student assistance. However, this does not include funding of all programmes within the system, as subsequent OCUA recommendations recognized.

Hence, OCUA additional funding recommendation 76-8 is for $3.3 million for the bar admission course and theology programmes, and recommendation 76-9 for additional system needs of $3.5 million, bringing the required total funding to $709.6 million.

To this, our ministry line budget items of $13.5 million—approximately the same as for the current year, and including such non-formula expenditures as the funding of faculties of education, the Ryerson nursing programme, and a special allowance for building repairs—bring the required funding level to $723.1 million.

The fee increase, if passed on to the students, generates $20 million. Hence, OCUA's recommendations lead to a necessary funding level of $703.1 million, which is precisely what I announced in the House.

The chairman of OCUA has assured me the announced funding level reconciles exactly with the OCUA's request, and I have the pertinent data here which I will be pleased to supply to the member for Scarborough-Ellesmere.

As reported to the House last month, the report from the interim committee on financial assistance to students will be available early in the new year. However, the recommendation of tuition fee levels is not within the terms of reference of that committee.

Mr. Speaker, these are the facts. Now I would not go so far as to suggest to you that the member may have misled this House—

Interjections.

[2:45]

Mr. Breithaupt: How far will you go?

Hon. Mr. Parrott: I said I would not go that far, but I will go this far, to suggest that the member has misled the students of this province, and that is a very serious concern.

Interjections.

Mr. Warner: While I appreciate the response from the minister in providing me with figures, does he now realize that because he did not table all of the relevant documents on November 15 when he made his original statement he has created a great deal of confusion for all of the interested groups from the college; and universities around this province, including myself? Does he realize that it is very difficult to extract information from this government? It's like pulling teeth to get the kind of information that's needed to raise questions in the House.

Mr. Breithaupt: The minister knows how hard it is to pull teeth.

Hon. Mr. Parrott: I think the member should know, and the statement I read in this House clearly stated it, that I sent that advice to all the presidents and all the chairmen of the boards. They had it in their hands at the exact moment that statement was made in the House. That information is readily available. Had the member had the courtesy to ask for it, he could have had that report as well.

Mr. Lewis: Whatever happened to The Freedom of Information Act?

Mr. Speaker: Order, please.

FUNDS FOR SPECIAL FACILITIES

Mr. McClellan: I have a question of the Minister of Health. The Willard report recommended that special facilities be established under the jurisdiction of The Mental Health Act, at both Huronia and Penetanguishene, for emotionally disturbed retardates who are potentially harmful and dangerous.

In view of the urgency and the obvious danger to safety, my question of the minister is why has he not proceeded to provide the necessary funds to establish these facilities at Huronia and Penetanguishene immediately rather than, as he indicated in the debate yesterday, in the 1977-78 budget?

Hon. F. S. Miller: I think the member is referring to the ruling of the chairman during discussions on my supplementary estimates.

Mr. McClellan: No; the minister's answer was in Hansard.

Hon. F. S. Miller: I said funds would be in the 1977-78 budget for such a thing, not in the budget we were discussing last night. I don't think one should jump to the conclusion that funds are going to be available at all. If funds are available, that's where they'll be.

Mr. McClellan: Will they be available?

Hon. F. S. Miller: I am unable to say right now. I am unable to say until such time as the Ministry of Community and Social Services and my own ministry are able to come to an agreement on the recommendations in that report. I agree it's a very critical problem. We have a series of people who are retarded who in the Ministry of Health's opinion are not emotionally or mentally disturbed but in the opinion of the other ministry are, and they are falling between two stools. In the main, they are often left in our facilities. The lady who was left at the Queen Street Mental Health Centre and who died there two or three weeks ago is an example of that kind of person, who, for some reason or other, should be in other than a mental institution.

I want to have a chance—in fact my staff are already discussing that report and I hope we'll have something concrete as quickly as we get agreement.

Mr. McClellan: Surely the minister would agree that if he waits until next year he would almost be guaranteeing some kind of a repeat of the tragedy at Huronia, and that he needs to act well in advance—

Mr. Speaker: Order, please. Is there a supplementary question for information? Really, you're giving advice, which is really not the intent.

Mr. Bain: The minister needs the advice.

Mr. McClellan: I asked the minister would he not agree that it is dangerous to wait.

Mr. Conway: The old colonial railway.

Hon. F. S. Miller: The decision could be made today to go ahead but I can assure the member the facility wouldn't be ready until at least March 31. I think we both agree on that. The decision will be made as quickly as it can be and implemented as quickly as it can be, on the assumption that it's affirmative.

NIAGARA ESCARPMENT COMMISSION

Mr. McKessock: A question of the Provincial Secretary for Resources Development: A two-day meeting of the Niagara Escarpment Commission advisory committee was scheduled for Owen Sound and was changed to Toronto earlier this week. The reason given was so the committee could fly over the Escarpment, leaving from Toronto Airport. Could the minister tell me who the instigator was of the change in this meeting place?

Hon. Mr. Irvine: No, Mr. Speaker, I cannot. The Niagara Escarpment Commission operates entirely on its own jurisdiction and the advisory committee, I would assume, is acting under the jurisdiction of the Niagara Escarpment Commission.

Mr. McKessock: Supplementary: In view of the fact that walking the Escarpment would have given them a much better perspective, and then they would have realized that the control area was far too large, does the minister not feel that flying this committee over the Escarpment is a waste of taxpayers' money?

Hon. Mr. Rhodes: You get a good view of the Rockies walking through passes too.

Mr. B. Newman: How many times have you walked it?

Hon. Mr. Irvine: No, Mr. Speaker, I don't feel it's a waste of taxpayers' money. As a matter of fact, I've flown over it myself and tried to acquaint myself with the whole area.

Mr. Breithaupt: Especially on a cloudy day.

Hon. Mr. Irvine: I can assure the hon. member I don't intend to walk it all.

Mr. Breithaupt: Put them up in the CN Tower and let them look at it.

COW-CALF PROGRAMME

Mr. Wiseman: Mr. Speaker, a question of the Minister of Agriculture and Food—

Mr. Conway: Bill! Bill!

Mr. Wiseman: In view of the cow-calf programme monitoring of the heavy calves in the sales ending the end of November, could the minister tell us if he has had a chance to figure out the average price; and if this price does indicate that there's a payment coming to the farmers enroled in this programme, will they get it in time for Christmas?

Mr. Breithaupt: Ho, Ho, Ho.

An hon. member: He just happens to have the answer.

Interjections.

Mr. Speaker: Now can we hear the hon. minister?

Hon. W. Newman: Mr. Speaker, let me say in answer to the question I was very disappointed in the calf prices this fall, to the farmers of this province—

Mr. Wildman: You weren't the only one.

Mr. Breithaupt: Where are the other two wise men?

Hon. W. Newman: Your friends in Ottawa may have caused a lot of problems—

Mr. Speaker: Order; order please, the hon. minister. Answer the question.

Mr. Breithaupt: Are there two other wise men involved in this too?

Mr. S. Smith: Are they the same one's who did the AIB?

Mr. Speaker: The hon. minister only has the floor to answer the question.

Mr. S. Smith: Down the chimney he will come.

Hon. W. Newman: Mr. Speaker, it is anticipated the price—the final sales figures have not come in yet—will be somewhere around 33 cents per pound—

Mr. Wildman: You said the prices will rise this fall.

Mr. Speaker: Order, order.

Hon. W. Newman: —and there will be a payout, of course, under the programme. It might be interesting to note also, Mr. Speaker, under the programme we have 4,000 more applications of people involved than last year, which indicates a very fine programme.

Interjections.

Mr. Wiseman: With all the noise, I don't think the minister could hear me, but I asked if there was a payout to be made, can the farmers expect that in time for Christmas?

Hon. W. Newman: Mr. Speaker, I would anticipate that the payment—

Mr. Good: Wait until the election.

Hon. W. Newman: —would be out by the end of this year, before the end of December if it's humanly possible, because—

Mr. Breithaupt: Delivered by Santa from Lambton.

Hon. W. Newman: —I understand the reasoning.

Mr. Riddell: Supplementary: How did the minister arrive at the fact that these calves are selling at four cents a pound more this year than they did last year, when every other sale in the part of the province we represent would indicate that calves are selling as poorly as, if not more poorly than, they did last year?

Hon. W. Newman: Mr. Speaker, that is a very, very good question. I'm glad the member asked it. Because of the organizational work done by my ministry and the people in other parts of the province—

Mr. Conway: Louder, Bill, louder!

Hon. W. Newman: —we have had more uniform sales this year. Eastern Ontario prices were better because at Galetta they formed a community sale and we had better prices there. Also around at the sales we have had some better prices—certainly not what I would like to see, but better throughout the province.

Mr. Conway: Good representation.

Hon. W. Newman: I said I anticipated prices would be around 33 cents. The final figures are still not in.

DRYDEN HOSPITAL

Mr. Foulds: Mr. Speaker, I have a question for the Minister of Health: Is the minister aware that a disallowance of $21,000 expenditure by his ministry to the Dryden hospital is threatening the closure of the eight-bed medical wing in that hospital? Is the ministry willing to reconsider that disallowance, in the light of the fact that the ministry appears to set the population figures served by the Dryden hospital at around 7,000, whereas the hospital serves a much wider population area, extending as far east as Ignace and taking the overflow from Sioux Lookout?

Hon. F. S. Miller: Mr. Speaker, I am fairly familiar with the problems of the Dryden hospital. I have visited it and they have been brought to my attention by the hon. Minister of Natural Resources (Mr. Bernier).

Mr. Reid: And the member for Rainy River.

Hon. F. S. Miller: Is there a member for Rainy River?

Mr. Reid: You wrote me a letter. Don't you read your mail?

Hon. F. S. Miller: I probably sent it to Rainy River. In any case, I think there are a number of problems involved in that hospital's budget, one of them being that they have used certain operating funds for capital purposes. That is one of the things we have to sort out with them. Population doesn't determine the budget of a hospital. The operating costs of the hospital do, on a budget basis, and we are looking at it in that case.

I am also keenly aware that that hospital is very deeply in debt at the bank; to the point, I believe, of a $440,000 overdraft at this point in time; an accumulation of many years, apparently, of overspending.

Mr. Foulds: A supplementary: Is the minister not aware that that debt apparently has arisen only in the last three years? Since it is the only hospital of any size between Kenora and Thunder Bay on Highway 17, wouldn't the minister consider that an argument for maintaining it?

Hon. F. S. Miller: Mr. Speaker, we are going to maintain the hospital but it doesn't mean I should pay more than it should have.

FIRST MINISTERS' CONFERENCE

Mr. Conway: A question of the hon. Premier: Would the Premier share with this House the sum and substance of his communications, I believe this week, with Mr. Levesque, the Premier of Quebec, as to the upcoming First Ministers' Conference?

Hon. Mr. Davis: Mr. Speaker, I have very informally talked to the new Premier of Quebec. I called him the day or the day after he was sworn in as Premier. I had sent him a telegram of congratulations prior to that. I talked to him again this past Monday.

Mr. Reid: In English or French?

Hon. Mr. Davis: En Anglais.

Mr. Breithaupt: Which is that?

Mr. Reid: That sounds like Ukrainian to me.

Hon. Mr. Davis: For the member for Kitchener, in English; I realize he has difficulty with both languages and I want to help him as much as I can.

Really, I would say to the hon. member—and I am not being facetious—that my communications to the new Premier were those of congratulations and best wishes. I very briefly outlined the traditional relationship that has existed between the two governments and our two provinces and I hoped these would continue. He reciprocated those thoughts. I think it is fair to say that there was nothing, shall we say, of great interest for the members of the House, that I can recall, which would be worthwhile sharing at this time.

HYDRO NIAGARA ESCARPMENT LEASE

Hon. Mr. Timbrell: Mr. Speaker, last Thursday the member for Scarborough West made an inquiry regarding the leasing by Ontario Hydro of property held in Collingwood township, and I undertook at that time to provide him with information about this leasing agreement.

The Hydro land was purchased between 1962 and 1968 and is known as the Delphi Point Property. It consists of 934 acres and is located in Collingwood township. It will

not be developed by Hydro for at least 15 years.

Hydro's present leasing policy is to negotiate directly with individuals who express an interest in land which Hydro has no immediate plans to use. This policy applies to all individuals; indeed within the Delphi Point Property there are six parcels of land which are leased to farmers.

Under this same policy, 788 acres had been leased to a company known as Big Apple Farms Limited for a period of 10 years beginning September 1, 1976. The leasing charge is $1,000 per year plus taxes; the rental charge is subject to review at the end of five years at which time Hydro has an opportunity to increase the rent. The taxes for 1976 are estimated at $11,331.

I would like to point out that the present leasing arrangement for agricultural zoning is the same arrangement made with farmers across the province, that is $1 an acre per year plus taxes.

As previously mentioned, the total property is 934 acres. The new lease is for 788 acres; 10 acres had already been leased by Georgian Peaks Ski Club. Big Apple Limited is a subsidiary of Rose Community which is a name used to encompass a major development in the Thornbury-Collingwood township area. The developer purchased the Georgian Peaks Ski Club in November, 1975, and the leasing now of the remainder of the Hydro property was a natural extension of the lease already existing between the Ski Club and Ontario Hydro and was for property adjoining the 192 acres owned by the ski club.

[3:00]

Any rezoning required, or permission to use the land for other than agricultural purposes, to build structures or carry out other development of the land, will be the responsibility of the lessee. This procedure is still to come. The lessee will be required to obtain all the normal permissions from the local authorities or the Niagara Escarpment Commission where appropriate. If these permissions are refused, and the land cannot be used for the intended purposes, Hydro has stated that it will consider an application to cancel the lease.

Contrary to published reports, I have learned that the developer made his plans known to the local authorities as early as November, 1975. When the Georgian Peaks property was purchased last November, the developer met with members of the town of Thornbury council, the Collingwood township council and the Beaver Valley planning authorities in Thornbury on November 8, 1975, and advised them of his plans for the property and the intention to lease the Ontario Hydro land.

Also, the developer attempted to meet with the Niagara Escarpment Commission and was advised that it would be setting a precedent for him to appear before the commission. He was advised to make a presentation to the staff of the Niagara Escarpment Commission at their Georgetown office. Subsequently, the developer met with the chairman of the commission, another commission member and a senior staff member of the Niagara Escarpment Commission on July 28, 1976, and during the two-and-a-half hour meeting he presented a survey of the lands they proposed to lease from Ontario Hydro and outlined the plans for the use of that land.

From the foregoing, it is made clear that it is not correct to say that the lease was made without the knowledge of the local authorities. I have had it confirmed by the chairman of the planning board, the reeve of the township and the chairman of the Niagara Escarpment Commission that those meetings did take place, and that local authorities did have knowledge of the intentions to seek a lease of the property.

Hydro has acted properly in executing a lease which will reduce its costs and still maintain the land for later use by Ontario Hydro for its original purpose.

There will not be any improper use of the land. All of the normal controls on the land continue to exist. The local planning board and Niagara Escarpment Commission may accept or reject any proposed changes according to their normal criteria.

I might add that on Monday the member for Grey (Mr. McKessock) asked me about the land leased from Hydro and its possible use as a marina. I can confirm that this land is landlocked and there is no possibility of any of it being used for a marina. The announcement made by the developer regarding marine facilities referred to other properties he holds in the Thornbury area.

Mr. Reed: Supplementary, Mr. Speaker.

Mr. Speaker: Order please. May I just suggest first of all that a prepared answer of that length should have been given as a ministerial statement, because it took almost five minutes. I'll add three minutes on to the question period.

Mr. Lewis: May I ask a supplementary?

Mr. Speaker: I believe there is a supplementary from the person who asked the question.

Mr. Lewis: I asked the question, Mr. Speaker.

Mr. Speaker: Oh I'm sorry, I thought it was someone else.

Mr. Lewis: Do I take it from the minister's response that at no time did Ontario Hydro seek clarification from Thornbury, Collingwood, Beaver Valley planning board, or the Niagara Escarpment Commission, that this was a developer-initiated consultation and that Ontario Hydro which had the land and had letters from the Beaver Valley planning board saying, "We do not want the land leased for any purpose without consultation," never took it upon itself to deal with the appropriate authorities?

Hon. Mr. Timbrell: First of all, Hydro was aware that the authorities were in fact being made aware of the intentions of the applicant. They deal with every individual, whether they're an individual farmer, or as in this case a corporate concern, in exactly the same way and under the same conditions.

Mr. Reed: Supplementary.

Mr. Speaker: Is it a supplementary, the member for Halton-Burlington?

Mr. Reed: Yes, thank you, Mr. Speaker. Is the minister indicating by his statement that the property known as Delphi Point will be developed after 15 years?

Hon. Mr. Timbrell: No, I said that it would not be developed by Hydro for at least 15 years. There is no guarantee that it will be developed in 15 years.

Mr. Speaker: The member for Grey with a final supplementary.

Mr. McKessock: The taxes being $1,100 and some a year, will the assessment now be changed to coincide with the new proposed land use, so that the municipality will receive more from this land?

Hon. Mr. Timbrell: Let me first of all correct the member's figure. The present taxes are $11,331 per year. I am told that if the lessee is successful in getting the approval from the local authorities and the Niagara Escarpment Commission for what he proposes, then the local municipality would see that figure jump to an excess of $20,000 per year. But as the hon. member knows, there would not be any change in the assessment unless a change in the land use was approved.

Mr. Speaker: The oral question period has expired.

Petitions.

Mr. Breaugh: On a point of order, Mr. Speaker. Could I get some clarification? I notice that when members are asking questions, the Speaker is very careful to see there is no editorial comment thrown in and that the question is—

Mr. Speaker: I try, but there is still a lot.

Mr. Breaugh: Could I ask you how is it that I watched three ministers today editorialize at length and yet I did not hear the Speaker interject once? Would you explain that rule to me just a little more carefully?

Mr. Lewis: A rule for the weak and a rule for the strong.

Mr. Speaker: That's not really a point of order; but we advise all people to keep the editorial comment to a minimum on all sides of the House, please, because it is not appropriately a part of the question period.

Interjections.

Mr. Lewis: It seems to us that the mighty are inheriting the earth.

Mr. Breithaupt: By the time we get it, it won't be worth getting.

Mr. Speaker: Presenting reports.

REPORTS

Mr. McNeil from the standing resources development committee reported the following resolutions:

Resolved: That supply in the following amounts to defray the expenses of the Ministry of Industry and Tourism be granted to Her Majesty for the fiscal year ending March 31, 1977:

Ministry of Industry and Tourism

Ministry central office programme	$ 755,000
Industry development programme	6,544,000
Trade development programme	2,394,000
Tourism development programme	10,116,000
Operations programme	6,909,000
Communications programme	811,000

Administration programme	$ 1,548,000
Ontario Place Corporation programme	3,192,000
Industrial incentives and development programme	30,377,000

Resolved: That supply in the following amounts to defray the expenses of the Ministry of the Environment be granted to Her Majesty for the fiscal year ending March 31, 1977:

Ministry of the Environment

Ministry support services programme	$ 5,895,000
Environmental assessment and planning programme	14,742,000
Environmental control programme	206,085,000
Resource recovery programme	13,546,000

Resolved: That supply in the following supplementary amount to defray the expenses of the Ministry of the Environment be granted to Her Majesty for the fiscal year ending March 31, 1977:

Ministry of the Environment

Environmental control programme	$ 6,363,000

Hon. Mr. Wells presented the annual report of the Teachers' Superannuation Commission.

Hon. Mr. McMurtry presented the seventh annual report of the Criminal Injuries Compensation Board.

SELECT COMMITTEE ON HIGHWAY SAFETY

Mr. Young presented an interim report from the select committee on highway safety.

Mr. Young: Mr. Speaker, this report is an interim report of the select committee on highway safety, which was appointed by this Legislature because of a growing concern on the part of the members of this assembly, as well as on the part of the people of the province of Ontario. The problem we were facing at that time was—and we are still facing it—that on the highways of this province we are now killing about 1,800 people per year and injuring and maiming 100,000 people per year. The total cost of this mayhem, depending on how much we value a human life—even at $50,000—runs to about $500 million per year.

When the committee was set up, we had no expertise in this field. The committee itself and the staff which was set up to serve that committee were not experts. None of us, I think, had the kind of knowledge which is necessary for a final report. Over the period of the first few months we have been gaining that experience. We have been finding out that this field is far vaster and has far more ramifications than I think any of us realized—far greater even than I realized, and I have been in the field and thinking seriously about it for a good many years. The result has been that the first few months have been sort of taken up with learning and gaining experience.

We have found out, for example, that there is no simple solution to the whole problem. There are no single solutions to the whole problem. Even though we have heard all kinds of solutions mentioned I don't think anyone would claim that one solution applied to this problem would solve it. Of course, even the experts who came before us disagreed and in the face of that, Mr. Speaker, you can understand the problem we are facing.

However, the committee was set up for the purpose of reducing the tragic and costly burden caused by the motor vehicle accidents in this province. We looked at the work in, perhaps, two phases. The first included going out in the province, listening to people and finding out what solutions the people of Ontario had to offer. We found this is a tremendous concern for Ontario.

Twenty advertised public meetings were held, seeking the views of the public. We held them in 15 centres around the province and the report gives the location of these. As well, the committee advertised for and received submissions from individuals containing over 300 recommendations which the committee is now in the process of sifting through.

In addition to hearing from the general public, the committee sought out the views of police and various professional and private interest groups. Forty professional and private groups did appear and their names are listed in our report.

In addition to this, we took a two-week trip to examine the highway safety systems of three foreign jurisdictions. We found that in Sweden they have a death rate of 1,000 per year whereas Ontario's is 1,800. We wanted to know why. In Britain, they have

50 deaths per 100,000 registered vehicles whereas Ontario has 65; and we wanted to know why. In Holland they are just beginning, as Ontario is, a very serious study of this whole problem and are attacking it with massive applications of research projects and very large staffs in those projects. We wanted to look at those, particularly the moped situation. They have hundreds of thousands of them and we wanted to see that and see what they are doing in that regard.

After looking at the situations in these countries, we sat down to evaluate what we had seen and what we had learned. We came to certain conclusions and the committee is now prepared to make certain recommendations—not too many, because we felt we still needed much more study in certain specific fields.

We have four recommendations to make. When I mention these recommendations I must say that throughout the work of this committee, so far, we have had very cordial relationships with the ministry. At the very beginning we asked them to come in, to assess in their view what the big problems were and why. The minister made available to us Mr. Harvey Mosher, who travelled with us and met with us on a regular basis. His work, might I inform the minister, has been extremely valuable and he has done an extremely good and effective job with us.

In addition to that, we have kept in very close touch with the minister and as soon as the committee had come to certain conclusions, because of the urgency of the matter, we communicated to the minister what our findings were. The minister again has co-operated with us and we with him so that already some of these recommendations which we have made have been translated into actuality. We appreciate that and we appreciate the co-operation we have had from the minister and from his staff.

Those recommendations are as follows—they are outlined a couple of times in our report:

[3:15]

That the Ontario government, without further delay, make the wearing of an approved motorcycle helmet compulsory for all moped riders. We felt, after investigation, that this was important and urgent; and the minister, as you know, has already acted on this recommendation.

That the government of Ontario take responsibility for the preparation and distribution of a free document outlining the laws relating to impaired driving. Such a document should be ready for distribution to all motorists renewing vehicle licence plates for 1977.

I think very few people in Ontario, and certainly the members and staff of the committee, had not realized the full extent of our laws, which are about as severe and far reaching as any laws in any jurisdiction. We appreciated that fact, but we felt that the people of Ontario ought to be apprised of that; and so we made this recommendation and again forwarded it to the ministry, and already that process is going forward. I understand that those documents will be available for distribution at the time suggested.

The next one: That the Ministry of Transportation and Communications begin the implementation of a system of classified drivers' licences in the next calendar year. Again, work on this had already been begun by the ministry and was well advanced when the committee was doing its work. Across the province we heard literally scores of representations that this kind of classification of drivers' licences was essential and urgent. We have made that recommenation; working together, the ministry at the same time, I think, has implemented it and it goes into effect the first of the year.

The next recommendation: That the government of Ontario draft for early presentation to the Legislature appropriate legislation to impose a penalty against any person who leaves keys in the ignition lock of an unattended motor vehicle.

We realize there may be some problems here, but we also realize that many of the thefts—a very large proportion of the thefts that take place—take place easily because keys are left in the ignition lock. Very often, and we've seen instances of this in the recent past, young people have stolen a car and the resulting high-speed chase has culminated in death. So we feel this is an urgent matter which is now in the hands of the ministry.

There is one further note I would like to insert here. The announcement this afternoon by the Minister of Consumer and Commercial Relations was a very welcome one, pointing out that certain parts of the insurance industry are going to use more humane methods in dealing with young drivers. This committee received a great many representations in this regard. We have not yet made recommendation because we feel we must study it further, but I think the chairman of the select committee on company law has a

strong feeling about this and the announcemetn this afternoon is not unrelated to the work which his committee and our committee have been doing.

Certainly, when the Insurance Bureau of Canada met with us and with his committee, we made our feelings known in no uncertain terms, that the harsh treatment of young drivers by the industry was uncalled for, it was not solving the problem and something different, certainly, was demanded.

So I say again that the announcement this afternoon, and I hope subsequent action in this field, is not unrelated to the work which our committees have been doing, as well as the treatment in several other jurisdictions in Canada afforded to the younger driver.

The winter programme, the second phase of the programme of this committee, is already underway. Having established the basis and established what the parameters of the problems are, we are now ready to move into specific investigations of specific problems. As a matter of fact yesterday and on the next couple of Wednesdays we'll be meeting with, again, the Ministry of Transportation and Communications staff, to see exactly, with the experience we have behind us, what is now being done by the ministry and what their hopes are in this whole field. I might say that yesterday's meeting was extremely productive and we are looking forward to the next meeting.

Starting on January 3, this committee is meeting three to four days a week until the House meets, or until we can get our final report ready. It's going to be a rather brutal sort of itinerary, but we feel the urgency of the situation demands that. We are moving into certain specific areas. I want to outline those.

They are eight and they encompass all the problems which have been brought before us, both by the terms of reference and by the people who have spoken to us. To summarize them very briefly they are: driver instruction, testing and licensing of drivers, drinking driving, enforcement of the legislation—present and, we hope, future—automobile standards and maintenance, commercial vehicle standards and maintenance, the road environment and administration.

Particularly, there is the whole field of research, which other countries are carrying forward and which perhaps we in Canada have not undertaken too seriously yet, but which we hope will be undertaken in the near future with some degree of comprehension and with at least a fairly large degree of funding by the federal government, and by the provincial governments where called for.

What we will be doing as we study these problems is to call in experts in the field from Canada and from outside our jurisdiction. We will be making certain field trips where we feel that is necessary to see what is happening in the field. We are looking forward to an extremely productive and very profitable time. I think we must face the fact—and I emphasize it again—that even experts in the field disagree. That's why perhaps we have been a little slower than we had thought at first in coming to our ultimate conclusion.

Let me quote a couple of sections from the report: "It is therefore clear that the committee cannot expect to be guided by the absolute consensus of the experts. Experts will disagree on the most appropriate actions. In the absence of an expert consensus, the committee will exercise its best judgment as representatives of the public to choose the actions and the combinations of actions that it believes will improve the safety of our highways. Deciding that a particular action is likely to produce improvement in highway safety will not be enough. This first stage of decision-making also requires some judgement about whether the overall benefits justify the cost. This will be a difficult judgement to make because in highway safety benefits and costs are not quantifiable on a uniform basis. Sometimes we see a great social benefit and at the same time the cost in money may outweigh that social benefit. At other times the very large money costs may be outweighed by perceived social benefits."

Just before closing, I want to pay tribute to the staff of this committee, which has worked long and tirelessly so far and will be continuing to do so as we drive them as a committee in this process. They are our counsel, Mr. Alan Schwartz; our consultant, Mr. James Fisher; our research co-ordinator, Arna Crocker; and the clerk of the committee, Andrew Richardson. I've already mentioned Mr. Mosher and his part in the committee. We pay tribute to their job and to their achievement and to the work which they have done.

Finally, let me quote again the final paragraph of our introduction: "There is in Ontario today a mandate for government action to make our highways safer. Ontario can be a world leader. The committee has set for itself the very ambitious task of coming up with a comprehensive approach to realize that objective."

In the first chapter we say: "Three central impressions emerged from this initial phase

of the hearings. First, and perhaps the most important, is a deep and universally expressed concern about the carnage on the highways.

"The second is a willingness to try, shared by the vast majority of people both here and in Europe. Although well aware that there are no absolute solutions for highway safety probelms, almost everyone appearing before the committee expressed a willingness to support initiatives which might make an improvement.

"And third, most people share an optimism about the possibilities and are prepared for innovations and government leadership."

As chairman of the committee, let me say a word of appreciation to the members of the committee who have worked hard this far and will continue to do so, to the ministry, to our staff and the Legislature in this massive undertaking. Thank you very much.

Mr. Nixon: I want to mention two or three points briefly. Perhaps the minister is prepared to respond to some of the recommendations in the report before we go on to another item.

I do feel, however, to be fair to my colleagues in the committee, that I should say one or two things about the conduct of the committee itself.

As you know, Mr. Speaker, the committee did travel to Europe and the chairman has indicated from his point of view how valuable he felt the trip was and how important was the information that was gathered. I think you're aware, sir, that as one member of the committee I did not feel that trip should have occurred.

This is not because I'm unwilling to make these trips nor is it that do I not realize how important they can be. I feel—and I think this is something which should concern all of us, whether we're on select committee or not—that there should be perhaps a more careful approach to the authorization of select committee trips and other trips by members of this Legislature at public expense. We can always bring forward justification for any group of people to go almost anywhere in the world to gather information which may or may not be available.

I do believe, with the budgetary circumstances which face us and for a wide range of reasons, we must be careful when these trips are approved by committees or any other group that there is a clear and valuable return for the expenditure of these funds. I raised it in the committee at the time and I raise it now. I am as vulnerable as anyone else to accusations of hypocrisy and I suppose I am guilty of those accusations.

I simply put it that we're going to have to be careful that our house is set carefully in order when it comes to the expenditure of these funds.

There is another specific point I want to make. Among the things my colleagues found in this tour—I was not with them but it was an interesting piece of information—was that at least two of the jurisdictions, Sweden and the United Kingdom, reduced their highway speed limits at the time of the energy crisis. Since that time the speed limits have been put back to where they were before; or, in the case of Sweden I am told, they were put back on a modified basis with a different approach to speed limits depending upon the region in which the highways were. We were much later in reducing our speed limits here but in travelling with the committee, I have been struck by one or two important points.

The first one is that while the police forces all strongly approved of the reduction in the speed limit almost without exception they indicated they must have more money for enforcement. I think particularly of the OPP inspector of the sergeant at Barrie who indicated clearly that he felt there should be a reduction in the speed limits on Highway 400. He also indicated they needed more black and white cars; they needed more radar; they needed more money for aerial surveillance. He indicated that tough enforcement was the answer. Frankly, I have my doubts about that because I'm not at all convinced that the reduction of the speed limit was as useful as many people had hoped it would be.

There is a general feeling in the community that it is sort of a motherhood thing, that it is a good thing the speed limit is reduced because fewer accidents are occurring and the severity of the accidents is decreased. That may or may not be so. Really, the indications are very difficult to determine. I suppose if we were to reduce the speed limit to 30 that would be even better, but we are finding the community is not responding to the reduced speed limits in the way that perhaps we had hoped.

[3:30]

I want to quote from a speech the minister made in a hearing on motor vehicle occupant crash protection in Washington, DC, on Tuesday, August 3, 1976. I quote from the script that the minister provided and I talked to him personally about this because

he indicated he did not say what the script says he said. The point is that it was prepared by people in the department going on the information that was supposedly available to them. I believe in this province we are proud of the fact the seat-belt legislation and the reduction in speed limits have, by their combination, reduced accidents and the severity of accidents. We're proud of that and we believe that this is an important step forward that should be copied by other jurisdictions. It is difficult to determine whether the speed limits have been as efficacious in that regard as some people would hope.

In quoting from the minister's speech, he had gone on at some length, and very properly, indicating the problems in imposing a mandatory seat-belt law and then indicating the statistical and very favourable results of it. I quote from page seven of his speech: "We also lowered our speed limits in January. However, there has been no significant drop in operating speeds."

I'm sure he will want to indicate what he intended to say and what he actually did say, but this is from the script that was provided publicly and provided to the members of the committee on highway safety. My feeling is this, surely it was well accepted by editorialists in the community at large that we reduced the speed limits, but the findings of most people is—certainly from the minister's speech—that the actual speeds travelled have not been reduced significantly. There are those who say if the speed limit were retained at 70 for controlled access highways the cars will still be going probably eight to nine miles over the speed limit, but I'm not at all sure that that was our finding when the speed limit was set at 70.

If there were significant savings of energy, particularly petroleum, then obviously this is a matter we should continue, perhaps with much stronger enforcement than we have now, but the minister in his statement said there is no significant reduction. All we are giving the police is an almost impossible enforcement problem. We in this House have approved a reduction in the speed limit which the people do not feel is legitimate. They want to save fuel but, on controlled access highways particularly, it may in fact increase the menace in some instances rather than decrease it.

I simply felt, although the members of the committee don't agree with my feelings in this regard, that at the interim-report stage I should bring it to the attention of the House and the minister and also give him an opportunity if he wants to correct the misapprehension that is in the community, or at least in a number of people in it, as a result of his statement in Washington, and that this would certainly be a good time to do it.

We did not discuss in detail the possibility of a recommendation having to do with speed limits. I sense that not everybody on the committee agrees with my contention in this regard. As a matter of fact, far from it. An indication of how far from it is the fact that they went to Sweden and the UK, where they did reduce the speed limit and then put it back up again, and while there has been considerable talk of the recommendations from those areas, this one has not surfaced in any significant way.

I wanted to bring this to the attention of the members of the House in this interim report. We will no doubt continue our investigations and examinations in this important field and I'll look forward to talking about this and other matters more fully when the final report is before you, sir.

Mr. Kennedy: Mr. Speaker, I would like to add a comment if I could. I would have to say, in response to the member for Brant-Oxford-Norfolk in his opening comments about the need for select committees to practise restraint, I want to assure the House there wasn't a member on that committee, or for that matter on any other, who doesn't agree with the need for restraint.

However, this committee was set up with the express purpose, according to the terms of reference, to look into the incidence of traffic accidents, the carnage of no less than about 1,800 killed each year, some 70,000, 80,000 or 90,000 injured, and we were charged with the responsibility of trying to bring in some recommendations which would reduce this. When you take the cost of the toll and match that against the committee going where it feels it's necessary to go to obtain evidence and information, I think it's one of the better investments the people of Ontario have made. The trip was well worth while and it will be reflected not only in this interim report but in the final report as well.

Some of the recommendations have been touched on and I've got to say I don't share the opinion that there is no benefit in reducing the speed limit. It's my impression from observation that over the months since that was announced there has been a gradual reduction of accidents. I feel this from travelling on some of our major highways and I can't agree with the member on that point. I think it is showing up in the reduction in the number of accidents. The other thing, of course, is the use of seatbelts, which has

reduced the carnage on the highways, the personal injuries and fatalities.

Two of the major things this committee must come to grips with and this point is most frustrating—are the drinking driver and the impaired driver. We will be going on in our future discussions and activities in trying to come to grips with this and to bring forward some very positive recommendations which will add to the safety features of our highways. We just don't see now that the carnage and mortality from accidents can be totally reduced, but perhaps we can do something that will diminish this and turn it around and start it on the decline. When all these things are put together, this could very well happen and any investments, therefore, that the people of Ontario have in this committee are insignificant in comparison to the cost of medical treatment, legal actions, the results of fatalities and the attendant grief and costs that are associated with such incidents.

So I bring that forward to the members of the Legislature.

Mr. Ferrier: I would like to comment on the tabling of this report. Our community was very seriously saddened on the weekend, on Sunday night, for there was a car accident in which eight people were killed. We don't know all the reasons for it yet, but we will be trying to find out from the ministry in due course.

When an accident of that magnitude happens in a community, it brings home to us the need for more adequate safety measures to try to cope with the dangers that lurk on our highways. I think the members of this committee have taken their responsibility seriously in trying to become acquainted with the subject, a subject which has many facets and a subject on which the experts do not always agree.

The two things that the experts have agreed are the most effective measures of dealing with highway safety are the compulsory use of seatbelts and the reduction of speed limits. I'm quite surprised at the member for Brant-Oxford-Norfolk wanting to keep a higher speed limit, when that's one subject—the lowering of the speed limits as a safety measure—that the experts agree on, the experts that we talked to.

I think we have an important piece of work to finish in the next two and a half or three months and I anticipate a lot of hard work and a lot of hard study going into that, hopefully to come up with a report that does put forward a number of very useful recommendations so that the minister and his staff will be able to incorporate them. I am quite confident that the minister is much in earnest about this subject and he will do something to follow up the recommendations that will be in that final report.

I do not want to leave unchallenged the statement by the member for Brant-Oxford-Norfolk where he takes a shot at the committee for going overseas to other jurisdictions to investigate highway safety there. He has a very cynical view apparently of the work of members of this Legislature and of committees by suggesting that people are only wanting to go on those kinds of trips as a fun trip and not really in earnest to try to carry out the responsibilities that are given to them.

Mr. Nixon: On a point of order, Mr. Speaker, in case my hon. friend is indicating in any way that I either suggested or even felt for a moment that he or my other colleague went just because it was a fun trip, let me completely disabuse him of that. I simply indicated that I felt the trip was unnecessary and the information it yielded could have been obtained with a 10-cent postage stamp.

Mr. Bain: That's not a point of order.

Mr. Nixon: I am sure they worked very hard. Indeed, as a matter of fact, I am convinced of it.

Mr. Ferrier: He's had his chance to spout off and I would just like to make a few comments in rejoinder. I think the matter of select committees in this Legislature has been tightened up in that all expenditures must be approved by the Board of Internal Economy. The chairman did submit this budget to the Board of Internal Economy and did point out that he felt it was necessary for this trip to take place to do the kind of job that needed to be done in these areas. Some of us might suggest the member for Brant-Oxford-Norfolk was negligent in his duty in not going in that he did not seem to be sufficiently concerned about the matter to go to see what others were doing and studying—

Mr. Nixon: What about the two members of your caucus who did not go to Europe? Do you think they were negligent?

Mr. Ferrier: —and to talk with the people who were making the decisions and had done the research and were effecting the countermeasures to take place in Europe. When you are poking a finger of accusation at fellow members of your committee, I would suggest

there is also another side. Maybe there is one finger pointing back in your direction.

Mr. Mackenzie: It would appear that members have been allowed to say a word or two and I want to say just a word or two on this particular report.

Hon. Mr. Snow: Mr. Speaker, I wish perhaps to respond for a moment to the remarks that have been made, but is this the appropriate time to debate this report?

Mr. Speaker: A person can make comments on the report. It has been customary to do that on the prelude.

Hon. Mr. Snow: I understand it is customary for the chairman of the committee to make comments on the handing down of the report.

Mr. Speaker: Other members have made comments on reports as well.

Hon. Mr. Snow: Okay.

Mr. Speaker: The hon. minister may too, but perhaps he might wish to be the final speaker on it.

Mr. Young: On a point of order, Mr. Speaker, if I might just indicate to you that my intention as chairman of the committee was to make a brief statement. Perhaps it wasn't as brief as it might have been. It was not in my knowledge that there was to be any debate on the subject today. I just want that cleared for the record.

Mr. Speaker: I understand other members felt constrained to make some comment.

Mr. Mackenzie: Mr. Speaker, my understanding was that the chairman would give a brief report on the report and that we would be at some later date debating it. Inasmuch as the hon. member for Brant-Oxford-Norfolk decided he was going to make those statements that he did and the others have been allowed to speak, then I think there is a right, even an obligation, on members of that committee to let their feelings be known. Mine will be very brief.

[3:45]

I happen to think that was a good committee. I also happen to think they put an awful lot of time and effort in. If I was making a recommendation, or was in a position to make it for another committee that was taking a look at things, whether they're in Europe or any other parts outside of Canada, I would say you don't give them such a rushed schedule, that there's so much you can absorb, and certainly the time and effort was put in by the committee.

But I would also say to the member for Brant-Oxford-Norfolk that when he talks about members in the past having practised a little bit of hypocrisy, I think there's some hypocrisy and a dereliction of duty when a committee does make a decision that this is what it wishes to look at and what it wishes to do and he doesn't want to take part in that trip for his own reasons. I'm simply saying that were I in that position, and I want to make it clear, I would have stepped down from that committee, and if he had any guts he would have done the same thing.

Some hon. members: Oh, oh.

Mr. Speaker: Order, please. Could we keep the comments on the report?

Mr. Nixon: On a point of order, Mr. Speaker. At no time was the matter put before the committee for discussion or a vote.

Mr. Mackenzie: Oh, come on. For Christ's sake.

Mr. B. Newman: I wasn't on the committee, but I do—

Interjection.

Mr. Speaker: Just one moment, please. Did the hon. member for Yorkview wish to comment on the last remark?

Mr. Young: Mr. Speaker, the committee did discuss this on several occasions; it did vote its concurrence in this programme.

Mr. Nixon: On a point of order—

Mr. Bain: You weren't even there. If you had attended more, you would have known what went on.

Mr. Nixon: I must object to the hon. chairman's statement. I don't recall a resolution or a vote of the committee; it was simply decided that the committee would go.

Mr. Mackenzie: You were never there.

Mr. Speaker: The Speaker cannot judge on that. Any further comments on the report?

Mr. B. Newman: I wasn't on the committee, but I would like to make a few comments concerning the report—

Mr. Speaker: Order, please. I think the hon. member is stretching the matter just a bit too far when he's not even a member of the committee. It's appropriate for the

members of the committee who served on it to make whatever comment they wish; this has been a courtesy in the past. But I think to make it a general debate, this is the wrong time. Since the member was not on the committee, I think he should not speak at this time. Thank you.

Mr. B. Newman: I will accept your suggestion, Mr. Speaker. I will tell my colleagues to the left something concerning the previous committee on the use of schools and the attitude they took towards it at that time.

Mr. Deans: Oh, sit down.

Mr. Speaker: Does the hon. minister wish to make a comment in winding this up?

Hon. Mr. Snow: Mr. Speaker, I was not a member of the committee; maybe it's not appropriate for me to speak.

First of all, I would like to thank the chairman and the members of the committee for the very fine job they have carried out on behalf of highway safety. I know they are all very interested in the work they are doing. I appreciated very much getting an advance copy, which the chairman sent me and I received about a half an hour before I came to the House this afternoon. I've had a chance to review the interim report, and I'd like to compliment the committee in the way that the committee has worked with myself and with my officials in the past few months.

Regarding the recommendations of the committee, as the hon. members know, recommendation number one, asking for an extension for the date of the final report, must be dealt with by the House. I personally feel this is necessary and would certainly be in favour of it, although perhaps during the period of the continued studies we can continue to have the same type of liaison we have had so that we won't necessarily have to wait until after April 30 to get any further recommendations.

On recommendation number two, relating to moped helmets, we received an interim recommendation from the committee. I have acted on that recommendation and the regulation has been passed.

As for the third recommendation, relating to making literature available to motorists to make them aware of the consequences of drinking and driving as far as the law is concerned, I think that is excellent. My staff have already prepared a brochure and I understand it is at the printers and will be ready within a matter of days.

Mr. Roy: Don't forget to put your name on it.

Hon. Mr. Snow: And picture too; colour picture.

Mr. Warner: Not of your head.

Hon. Mr. Snow: Recommendation No. 4, relating to the classified driver's licence, of course, is one that the ministry has been working on for some period of time and that has already been announced.

The fifth recommendation is one we have given some study to. I want to say I thank the committee for their recommendation and we will certainly look further into that matter.

There are some very important matters for the committee to study and I appreciate the fact that they will need more time. There are matters relating to the licensing of driving schools, driver examinations and vehicle inspections. Many of these things are going to take more time.

I would like to respond also to the hon. member for Brant, Haldimand, Oxford or whatever it is—

Mr. Stokes: From BON.

Hon. Mr. Snow: Brant-Oxford-Norfolk, I guess.

Mr. Nixon: That's right.

Hon. Mr. Snow: Yes. The hon. member did draw to my attention this particular comment which was included in the prepared text for my speech in Washington. Unfortunately that's the problem with having prepared texts. What was being distributed here in Toronto at the time I was making my remarks in Washington was not quite the same because I did alter it slightly. I don't have a transcript of what I did say in Washington so therefore I can't tell you exactly what I said. The finding is that the speed limit was lowered and I think the average travelling speed of vehicles on our highways today is definitely lower than it was before the speed limit was lowered.

Mr. Good: No way.

Hon. Mr. Snow: I do believe however that the number of people driving above the new lower speed limit is probably a higher percentage than it was before the speed limits were lowered. There are more people breaking the law in other words. I think this is our finding. There are more people breaking the law today than there were before the speed limits were lowered. That doesn't say that the speed limit being lowered has not lowered

the average driving speed because I think it has. That is the point I was trying to get across, probably very poorly, in that speech in Washington.

Mr. Nixon: You said there was no significant drop in operating speeds.

Hon. Mr. Snow: I realize, as I stated, that that was in the text. I made alterations to that text in the copy I had while I was—

Mr. Reid: We believe the text.

Hon. Mr. Snow: —travelling between here and the capital of the United States.

Interjection.

Hon. Mr. Snow: Again, as I say, I thank the committee for their work and for their co-operation and I assure members of my continued co-operation and that of my staff with the committee as they carry on their work in the months ahead.

Mr. Speaker: Motions.

MOTIONS

Hon. Mr. Auld moved that the standing committeees of the House be authorized to sit concurrently with the House for the consideration of legislation now referred to them.

Motion agreed to.

Hon. Mr. Auld moved that the meetings of the standing committees when considering Bills 131, 139, 140 and 141 be recorded on tape for reference.

Hon. Mr. Welch: Would you add Bill 85 please, Mr. Speaker?

Mr. Speaker: And Bill 85.

Mr. B. Newman: Recorded but not printed.

Motion agreed to.

Hon. Mr. Auld moved that on receipt of a written application by Mr. Martel to the Clerk of the House, Mr. Martel be substituted for Mr. Makarchuk on the select committee considering the fourth and fifth reports of the Ontario Commission on the Legislature.

Mr. Deans: Just a brief word to express our thanks for having made that motion. Mr. Martel, as you know, has been incapacitated for some period of time but expects to be back on the job here in the Legislature some time after Christmas. Unfortunately the House wouldn't be sitting in order to substitute him and I appreciate the content of the motion.

Motion agreed to.

Mr. Speaker: Introduction of bills.

LABOUR RELATIONS AMENDMENT ACT

Hon. Mr. Rhodes, on behalf of Hon. B. Stephenson, moved first reading of Bill 176, An Act to amend The Labour Relations Act.

Motion agreed to.

DEVELOPMENT CORPORATIONS AMENDMENT ACT

Mr. Mackenzie moved first reading of Bill 177, An Act to amend The Development Corporations Act, 1973.

Motion agreed to.

Mr. Mackenzie: The Development Corporations Amendment Act provides that where financial support is given under The Development Act, 1973, to a person for purposes of relocating an industrial undertaking that person shall give his employees the option to continue employment at the relocated industrial site and pay the relocation costs of those employees choosing to relocate.

WORKMEN'S COMPENSATION AMENDMENT ACT

Mr. Bain moved first reading of Bill 178, An Act to amend The Workmen's Compensation Act.

Motion agreed to.

Mr. Bain: This bill would make three basic changes in The Workmen's Compensation Act:

First, it would give an injured worker establishing a claim, or anyone that that injured worker chooses, access to his complete Workmen's Compensation file.

Secondly, this bill removes the requirement that an industrial disease be disabling, or be the cause of death before compensation is payable. Under this bill the occurrence of an industrial disease would entitle a worker to compensation.

Thirdly, this bill would automatically transfer a compensation pension upon the death of the injured worker to his dependants, regardless of the percentage disability

of the pension and regardless of the cause of death.

[4:00]

SOCIAL REFERRAL SERVICES ACT

Mr. Cunningham moved first reading of Bill 179, An Act respecting Social Referral Services.

Motion agreed to.

Mr. Cunningham: Mr. Speaker, this bill deals with social referral survices, providing for the inclusion of standard terms as to vendor's duty, cancellation and the confidentiality and returning of personal information in social contracts and the limiting of their costs and duration.

WORKMEN'S COMPENSATION AMENDMENT ACT

Mr. di Santo moved first reading of Bill 180, An Act to amend the Workmen's Compensation Act.

Motion agreed to.

Mr. di Santo: Mr. Speaker, the bill requires that employers with 20 or more employees hire injured workers with permanent partial disability.

PENSION BENEFITS AMENDMENT ACT

Mr. di Santo moved first reading of Bill 181, An Act to amend the Pension Benefits Act.

Motion agreed to.

Mr. di Santo: Mr. Speaker, the bill permits the employees to accumulate pension benefits while unemployed due to disablement.

Mr. Speaker: Orders of the day.

SUPPLEMENTARY ESTIMATES, MINISTRY OF HOUSING

House in committee of supply.

On vote 2002, community planning programme; item 5, community renewal:

Mr. Chairman: Does the hon. minister have an opening statement?

Hon. Mr. Rhodes: Yes, Mr. Chairman. Very briefly, the ministry's request for additional funds amounts to $1.5 million, and is to be utilized as transfer payments under the Ontario Home Renewal Programme.

The Ontario Home Renewal Programme has been put into full implementation this fiscal year and the demand for funds by municipalities has exceeded the anticipated rate of participation. It is now anticipated that 280 municipalities will apply for funds, which is an upward revision from our original estimate of 264 for this fiscal year. With these additional funds, it is anticipated that 546 more units will be rehabilitated, adjusting the 1976-77 target from 4,758 to 5,304.

Mr. Cassidy: On item 2002, I think the minister will agree to slight latitude, and I hope that you, Mr. Chairman, will as well. I don't want to make a long speech, but this might be the opportunity for a few brief questions to the minister about matters which relate to his estimates, but which—

Mr. Chairman: You will confine your remarks to the Ontario Home Renewal Programme.

Mr. Cassidy: As I say, I am asking for a certain amount of latitude given the fact that I do not intend to take up a great amount of time of the Legislature. If I was to take a great amount of time, I am sure you as a good chairman would squelch me firmly as you have done so many times in the past.

Mr. Chairman: We have to be consistent in our rulings from the chair. It was ruled yesterday by another chairman that you would stick expressly to the amounts and to the topics being discussed here. In the interest of consistency we'll insist on that today.

Mr. Cassidy: My comments about the Home Renewal Programme in itself are limited. We welcome the success of the programme. Our feeling has been that this is an area in which the province was right to move when it moved two years ago. It was right, I might say, to adopt the lines which were sketched for it by the NDP when we began to suggest that kind of movement long before this minister became Minister of Housing.

If anything, I would judge from the kind of reaction there has been to OHRP in various parts of the province, that this is one of those cases in which we can say to the government, "You're doing okay but this is a very limited programme in view of the degree of need that exists out there."

As the minister is well aware there are well over two million housing units in the province of Ontario and this extension, which will be made possible by means of this particular supplementary estimates means that only an infinitesimal proportion of the housing units in the province will actually be covered. I think it's something like about one-half of one per cent of the housing units in the province become possibly eligible for rehabilitation. You have to bear in mind, in addition to that, that this is not necessarily complete rehabilitation and there is a backlog of homes needing to be fixed up because the programme is only a couple of years old.

At the rate the ministry is going, Ontario would be involved with rehabilitation of each particular unit of the housing stock of the province on average once every 200 years. I'm not sure whether the rehabilitation which is being financed by this particular extension will last for 200 years or whether in another 15 or 20 years there mightn't be need to have another go at some of the homes which are qualifying for these grants at this time.

As long as this programme remains as limited as it is right now, the question of whether or not the income band to which it is directed should be widened is probably academic. In other words, there's enough demand right now for OHRP funds that you don't really need to look at people who earn $13,500 or $15,500 and who might wish to qualify for the loan part, say, of OHRP funds.

I think the minister might clarify whether it is the intention of the ministry to change those income bands from time to time, bearing in mind that since the family incomes in the province have changed substantially and bearing in mind that what we now have is a programme which is directed to an extraordinarily small number of people in the larger cities. They have to be able to own their own homes, for the most part, in order to qualify. .They have to have an income which, I believe, is still to be less than a family income of $12,500 per year.

Anybody on that kind of an income simply can't afford to buy a house at today's prices. The only kind of housing available to them, if at all, is under the federal assisted home ownership programme and that would be for new housing—pretty much by definition new housing isn't eligible for OHRP.

Therefore, what you are directing these funds to is a diminishing number of lower-income families who bought their homes several years ago and who live in the older parts of our cities. In towns and villages, I appreciate there would be a broader number of people because incomes there are not so great. Everywhere you go, I am sure there's a significant number of senior citizens who become eligible for OHRP funds.

OHRP now, I would suggest, does nothing at all to help in situations where people of modest incomes acquire housing and then seek help in order to fix it up, both because the housing isn't there because the prices are too high or because the income they need in order to buy in at today's prices and mortgage rates simply means that they couldn't qualify.

I have to tell the minister as well that while the administration of the OHRP funds in general isn't working too badly, there has come to my attention instances of fairly serious delays. I know those delays are a matter of municipal administration, but municipal administration is also a reflection of the red tape which is built into the programme by the province.

If OHRP is to be successful it seems to me it should be able to provide modest amounts for modest rehabilitation and repairs and not just major amounts for major rehabilitation and repairs. It can be that in certain cases people living in older homes would prefer to take a couple of thousand dollars, half as grant and half as loan, in order to seal up the windows and doors and do some other essential improvements than commit themselves to a very heavy loan and grant, even though that might be accessible to them.

However, the administration costs of these more modest grants are heavy. In the borough of York, which is one instance where I've been active in trying to get a resolution of problems in the last week or so, they had got to the point where they had about 75 applications for OHRP that were backed up in some cases as long as six or eight months. The difficulty there was that the municipality was running into delays because of the need to search titles on each and every one of these particular applications.

The searching of titles wasn't just the searching of title back to point of purchase of the property or to the point where the last title search was carried out. It was search of title back to the Ark—back to the beginning. That was, therefore a time-consuming and costly process. It seems to me that in cases where the obligation being assumed was maybe $2,000 or $3,000 or $4,000 some less time-consuming programme might have been picked out by the ministry.

I see the chairman is looking at me very intently. I know he will agree that I have kept on the subject meticulously. I have to tell him that I've taken about five or seven minutes longer than I intended to take with all of my questions, only I was driven into it by the chairman.

Mr. Chairman: I'll accept your thanks for that.

Mr. Cassidy: Okay. Perhaps I could just try to put this into perspective, Mr. Chairman. The most recent figures from Ontario Finances indicate the overall expenditures for the Ministry of Housing under the estimates are to go up from the estimated $171 million which we had at the beginning of this year to an estimate of $173 million, an increase of $2 million. In rounded terms, that may represent the $1.5 million that we have right here. On the other hand, the ministry seems to be shortfalling by $25 million on the Ontario Mortgage Corporation and by $9 million on the Ontario Housing Corporation. Since those funds could generate 10 times that amount of construction, that shortfall seems to be very serious in view of the great difficulties that are allegedly occurring with the shortage of rental accommodations and which have been adverted to on a number of occasions by members of the Conservative Party.

I think that overall picture might be touched on by the minister because that's something which is concerning people greatly.

I think too, also in relation to the Home Renewal Programme, Mr. Chairman, the ministry is responsible for the Ontario Housing Rehabilitation Programme and also for the Ontario Housing Assistance Programme. Perhaps some statement about the extension of OHRP past next year might be in order in case there are any uncertainties as to that regard. Perhaps in the same breath the minister might comment very briefly about the present termination date of March 31 for OHAP since that's causing enormous concern about what happens next.

Those are the opening comments I wanted to make on the estimates.

[4:15]

Mr. Hall: Mr. Chairman, just a couple of brief questions. Does the minister have any figures that would indicate how many different communities are using the Home Renewal Programme, and what is the largest amount that has been placed in any community in the current year?

Mr. Chairman: If you just go ahead and give your opening comments, the minister will answer them all at once.

Mr. Hall: Yes. That's fine, thank you, Mr. Chairman. I agree with that thought.

I am concerned about some communities that may not be using it and I'm wondering if the minister when he replies would indicate to us what ongoing contact he has with certain communities, some of which have come to my attention, which, through some deficiency on their part possibly, haven't availed themselves of this programme.

I'd also appreciate it if the minister would enlighten me as to the exact time the money goes forward. Is it a matter of a requisitioning by the community for certain dollars on approval of an application, all requirements having been met, or can the municipality require funds to be sent down in advance of the actual outflow?

I want to just make certain that there's no money that's not being put to good use at all times in the transfer process. I support the programme, of course, and I would want to just check with the minister—I assume that this does not include funds in the current year for rehabilitation of rental properties, if you'd touch on that point with me. You might respond as to whether we're now getting into that as a result of your earlier announcements or whether we're still on owned property.

Those are the main questions. I'd appreciate the minister's answers and then if anything is derived from that I might appreciate the opportunity to raise another question.

Mr. Makarchuk: Mr. Chairman.

Hon. Mr. Rhodes: Mr. Chairman, I'm wondering if it would be possible in order to keep track if I could answer perhaps the two critics at this time and then go ahead with the hon. member for Brantford.

Mr. Chairman: It seems like a wise way to handle it. The hon. minister.

Mr. Makarchuk: Mr. Chairman.

Mr. Chairman: The hon. member for Brantford.

Mr. Makarchuk: Thank you, Mr. Chairman. I wish to participate in this. Earlier today we sat in the public accounts committeee looking at the—

Mr. Chairman: Well, it seems to me it is traditional that the two leadoff speakers for the opposition parties give their leadoff com-

ments, to which the minister can respond. Then we get into the questions and answers.

Hon. Mr. Rhodes: I'll be very brief in my responses because I think that in general there's agreement that the programme is working. I'm sure there will be some differences of opinion as to how well and how perhaps it might be improved, but the programme is working and that's evident by the fact that I am here now requesting extra funding for that particular programme.

The hon. member for Ottawa Centre suggests we have two million units in Ontario, but I would think he would agree that not all those two million units are in need of repair. I think perhaps while our percentage is a little higher, if we are at that point—that the two million of them are in need of repair at this time—then we're all in some difficulty and the minimum standards bylaws in the various municipalities cannot be working very well.

I think the rehabilitation programme has been working along fairly well in trying to meet the needs of those persons who are in the lower income areas. These are the people who, I'm sure the hon. member would agree—and he has made a great many speeches in this House, outside this House and elsewhere, speaking on behalf of those persons who are in that lower-income bracket—that they should be the ones to receive the help.

Mr. Cassidy: I am glad you've noticed. It hasn't had much effect.

Hon. Mr. Rhodes: One cannot help but notice. When you're speaking in Ottawa, I just open the door in Sault Ste. Marie and I can hear you. It's about that easy.

Mr. Conway: I'm for the lower-income bracket.

Hon. Mr. Rhodes: On the municipal administration of these programmes, I'm not going to be critical of them; they have had some problems. Part of that has been overcome, I believe, as a result of the people in the municipalities becoming more aware of the programme. They have municipal standards officers who are going out now properly trained and there are still some training programmes going on at the present time. They are being able to deal with the appraisals and the suggestions as to what type of work should be done.

The question of the amount of work to be done has given me some concern as well, and I have inquired in a number of municipalities as to why they are not making money available to owners so they can do, as was suggested, the smaller types of jobs—repairing around the windows and generally making the house more livable; that is, making some immediate repairs as aside from major construction work. In some municipalities they are insisting, before any loans are made, that they must do a major repair job on the basement or the foundation. But when people really want to have the livable portion of the house fixed up, they'll do that later, when they're more able.

One of the answers I'm getting—and I'm not sure whether it is entirely the reason—is they are saying minimum standards bylaws have been passed in the municipality and they have determined within their own administration that they do not wish to advance money under the programme unless the work that is being done will be bringing the unit up to the minimum standards, and they'd rather see the work all done at once. I am attempting, in my own way, to try to discourage that, and I am hopeful that some of the other repairs can be made. I think it's the same in my own municipality as it is perhaps in yours as well.

I may jump around a bit in answering these, but in response to the member for—I'll get it right yet—the member for Lincoln—goodness, I don't know how I forgot that—there are approximately 500 municipalities now taking part in the programme. I say approximately; I have a complete list of them, but I didn't total them up. The largest amount of money that I can see, in a quick look through these particular papers, appears to have gone to the city of Hamilton, with a total of $623,732 as the amount that has been forwarded to them. The amounts of money—I'm giving figures that have been actually forwarded to the municipalities—vary from down around the $20,000 mark up to that hight of $623,000. Most of them in the smaller communities, the smaller townships, are between $30,000 and $40,000. The municipalities, of course, are a little higher than that, getting up into the $150,000 to $200,000 area.

I have had further requests for more funding under this programme; I'm pleased to get the requests because, as I say, I think that shows the programme is working. It's working better now than it did a year ago. People are more used to it, and the administration is distributing the money more effectively. The money is transferred to the municipalities by the application being received from the municipality suggesting how much money they feel they need to carry on the programme within their community for that

time. We have allocation limitations, budget limitations and what have you, and the allocations are made up to a maximum on a per capita basis—based on the population, as any other per capita grants would be made.

The effectiveness of the programme in most communities, I think, has been good. As you related, we have extended the programme into the rental area. We now have that programme in effect. Applications are now being received and there are no income limits being placed upon the tenants who are in the units that are in this programme, as you probably know. But we are asking that it be done in those areas where there are lower-income people living in rented accommidation. Quite frankly, I'm not going to entertain someone coming in and wanting to fix up a $200,000 townhouse for some reason.

The member for Lincoln is having difficulty looking around his colleague. He's looking at the best side of him, I'll tell him that.

Mr. Ruston: Now, John.

Hon. Mr. Rhodes: The rental programme is just getting going now, and the money is included in the total that we have for this year. We realize it will not be very much money expended in the balance of this fiscal year, but we'll be ready to go in the next fiscal year with more money in the programme.

The hon. member for Ottawa Centre asked about the continuation of the programme. I think the programme is one of the real successes that we have and that we should be continuing the programme. We have already requested—

Mr. Cassidy: One of the few successes.

Hon. Mr. Rhodes: One of the many successes we have is this programme and I have now requested additional funding for this programme so that we can continue it and meet some of the requests that have come in. In fact, we hope for additional funding for the balance of this fiscal year so that we can add more money to the programme to keep it going in the various municipalities which are requesting more funding.

Mr. Conway: According to your parliamentary assistant it is the greatest success.

Hon. Mr. Rhodes: I think those are the remarks I wanted to make at this time. In keeping with your very strict order, Mr. Chairman, I shall refrain from responding to other questions that were asked about other areas of the ministry.

Mr. Cassidy: I sneaked them in so well he did not notice.

Mr. Makarchuk: Sometimes it puzzles me, particularly after sitting today in the public accounts committee and looking at the first time home buyers' programme where the wastage is about $9 million to $11 million. Just look at the whole programme, it cost $100 million. There was also the $160 million giveaway that went to industry, and so on. It makes me wonder why you have massive amounts of money going into those programmes of dubious value, of very little job-creating potential, in comparison to a programme like this. I have to congratulate the minister and the government; this is a very good programme as we've found it in our community particularly—and I had a hand in getting it started there. It's doing the kind of job that we expected it to do.

There are all sorts of people in the community—widows, single parents, older citizens and so on—who were living in rather dilapidated conditions in houses that were on the verge of being torn down, with improper heating, with roofs that were leaking, with windows that were not keeping the weather out and so on, and which were fixed up. They are extremely grateful that there is something of this nature going on.

The other aspect of this programme is the fact that there were many small contractors who before were making a sort of more or less marginal existence and who have managed, because of this programme, to acquire reasonable equipment and to have a reasonable income to put themselves on a sound basis. In fact, because of the start they got on the OHRP programme they have been able to go into some sort of major subcontracting field, or take on larger commercial work which they would not have been able to do before. That's another sort of spinoff from this particular programme.

This is why it bothers me when the minister does not demand a greater amount of money —perhaps he does—because as was pointed out by my colleague from Ottawa there is a lot of work that can be done. This is the kind of programme where besides the benefits that flow from it to the people who live in the homes, there are great benefits in terms of jobs that are created in the community. If you compare the number of jobs that are created for every dollar that is spent on the OHRP programme as opposed to the spending that went on the first-time home buyers grant or the $160 million equipment writeoff, I have a feeling, Mr. Minister, that you will find the buck invested produces

more jobs here than anywhere else in any of the programmes you've got in your government. I would suggest that you continue this programme.

My last question, of course, concerns Brantford, which as usual is running out of funding. I did send a note to you requesting whether they are going to get additional funding. I would like to know where they are on the list.

Hon. Mr. Rhodes: I will answer the last one first. First of all, it is not a question of where they are on the list. We don't work that way on it. The applications are there and they are evaluated and if they are eligible for money, certainly they will get it.

It seems to me we have forwarded to Brantford, up until now, $195,372. That was the approved amount, therefore I can't say at this stage whether we have more money going for them or not. We are aware there is a request in from them and we are trying to meet those requests to the best of our ability within the available funding.

I am pleased the hon. member mentioned that there is work being created by these renewal programmes. Obviously there would be. I hope that's what the experience is in your area, because in some areas it is not the experience. The opportunity is there, but many municipalities have indicated to me—I say many, some municipalities; I haven't been in touch with that many of them—have indicated a problem in getting that work done in that they are not able to get people who are willing to go out and do the sort of appraisal work and give an estimate on the work they think should be done and what it would cost.

[4:30]

As a result, these people who have had the municipal officials come and see them, look at their needs and say, "Yes, you are in need, get an estimate," are having difficulty. Some of them are waiting a month or more to get someone to come and give them an estimate on the work. When they do get the estimate, they wait another month or so before the individual contractor will say, "I'll come in and do the work."

Some of that delay is in that area between the estimate of the work and the actual agreement to come in and do the work. If that hasn't been the experience in Brantford, that's great and I would hope that that experience wouldn't be occurring in as many municipalities as it apparently is.

I think the programme needs more money. We have asked for more money to keep it going.

Mr. Makarchuk: On the same point, I think I have to point out to the minister that initially we did have a problem in trying to acquaint the people—one of the problems in that field is that there are a lot of fly-by-night operators—not a lot, but there are fly-by-night operators. That's one problem.

The other problem is that the small contractor was always concerned about going to a rather ramshackle building, doing a job which probably cost him $3,000, $4,000, $5,000, up to $7,000 or $8,000 and then wondering whether he is going to collect the money. One of the things we did in Brantford to dissipate that kind of apprehension was to hold a public meeting. It was a dinner meeting with the builders, small contractors and so on. I was there as well as our administrator and we explained the programme and from there on in, it took off.

They were assured they were going to get paid; that it's a well-funded programme and there is follow-up and so on. From there on in, we had no problems at all.

Mr. Good: I'm a member from a city which chose not to go into this programme. First of all, am I correct that the administrative costs of the programme are the only costs to the municipality?

Hon. Mr. Rhodes: Yes, a percentage of the total grant can be applied to the administrative costs. They don't absorb all the administrative costs but there is a percentage of the grant which can be applied to the administrative costs. They do have some.

Mr. Good: I have had quite a number of inquiries about the programme but the municipality has not chosen to go into it up to now. The rate of interest charged on the loan, I understand, is on a sliding scale depending on the income of the family. Could you give us an idea of what that rate of interest is?

Hon. Mr. Rhodes: The interest rate is from zero to eight per cent and the municipality determines what it thinks the interest rate should be. We leave that in the hands of the administration of the municipality.

Mr. Good: Could you explain briefly how people can qualify for this and the difference between this and the federal RRAP and NIP programmes? As I understand it, the levels of income are not that much different; I think it's between $11,000 and $12,000 for

the family income. This programme, I understood, is for people who do not qualify for the other programmes. What is the difference?

Hon. Mr. Rhodes: I'm afraid I can't tell you too much about the RRAP programme. I'm not very familiar with it. I try to confine myself to the programmes I have to contend with and I usually leave the federal ones to them. All I can tell you of the difference between our programme and the RRAP programme is that we didn't make commitments and back away. We kept the money available.

I can't tell you too much. I guess the main part of the RRAP programme is tied to the NIP programme, the Neighbourhood Improvement Programme. Ours is available throughout the community. That's the real difference I can see and I don't know that much about that programme.

Mr. Good: It's your own publication which says that this programme is available to those who do not qualify for the other things. On that basis, every municipality in the province would qualify for this programme and every person below the $12,500 income level would qualify—is this correct?

Hon. Mr. Rhodes: Yes, everyone would qualify and not only within municipalities. We have moneys in our programme that go to the unorganized territories as well where we have people who apply individually. It is administered through my own ministry as far as the disposition of funds to them for their repair work and the work that they would like to do in rehabilitation is concerned.

The reason we say where they don't otherwise qualify in that is that in the neighbourhood improvement areas, the RRAP programme is there. The OHRP programme goes throughout the community. Again, we leave it in the hands of the municipality. Some of the municipalities decide that they won't apply the OHRP programme in the NIP areas. As I have said many times, you almost have to speak a new language in it. I am bilingual; I speak English in housing. You can use RRAP in the NIP areas because RRAP applies to the NIP areas; you don't bother putting OHRP in there. You leave OHRP for those areas outside of the NIP and RRAP areas.

Mr. B. Newman: That will read well.

Hon. Mr. Rhodes: I am sure.

Mr. Good: One final question then, just so that I understand this, to see if we can get our council to come on this. It's rather strange —and I think you might enjoy this—I believe there was a resolution from a municipality in western Ontario last year asking that the programme be extended which it then was. It is rather amazing that our local council endorsed the resolution to extend this good programme but wouldn't go in it themselves.

Interjection.

Hon. Mr. Rhodes: I just might mention to the hon. member that if you would like, I say to you now, we would be very happy to send people from the ministry, in your company if you wish, or on their own, to visit with the new council—

Mr. Good: Better wait until after the election.

Hon. Mr. Rhodes: —on December 7 and see if we can convince them to join the programme.

Mr. Good: All right. So the last question is simply this. Your literature says the ministry may, in addition to the other rates, give an annual grant of up to $25,000 to the municipality. Would this be for additional work or for administrative purposes?

Hon. Mr. Rhodes: For the smaller communities, under 10,000 population. Basically this is a $4 per capita grant. In those smaller communities you end up in some cases with a small amount of money if you get down to 4,000, 5,000 or 6,000 people, so we give them the $4 per head plus up to $25,000 as well to give them some money to work with. Otherwise they wouldn't have sufficient funds even to get into the programme.

Mr. Good: Anybody but a region, I understand, could qualify for that.

Hon. Mr. Rhodes: That's right.

Mr. Good: Thank you.

Mr. Hall: Just to touch back for a moment on the matter of administration by the municipalities, whereby it would appear that some of them on receiving an application would send the building inspector around to the house and list everything that might have to be done, whether or not there is a minimum standards bylaw. I just want to ask the minister is there anything in the guidelines that you provide the municipalities with that would suggest to them that they have to go so far?

I know you said that you are trying to influence them to take on smaller projects. Where have they got this idea? Or do you feel that it's an approach that they are using

merely to reduce the number of units that are approved and therefore possibly their administration costs? Is there anything that the ministry has provided which would tend to make them require complete improvement as opposed to partial work being done?

Hon. Mr. Rhodes: I don't think we have done anything that would encourage them to go to larger amounts of money and larger projects.

I mentioned the minimum standards bylaws. The communities that have them may, if they wish, apply those particular standards. We don't encourage them and we don't have any influence in discouraging them. We leave that to them. Where a community has no such bylaws, of course, they are entitled to do as they will and they do. They treat their residents in whatever way they wish as to what size the project may be.

Mind you, we encourage them throughout the province to adopt minimum standards bylaws. We think it is healthy for a municipality to have them. But we don't require that they set the minimum standards as the ultimate as to what they will lend money for on these projects. We don't require them to do that.

Mr. Hall: It has cleared up a point for my own information because it is a local attitude respecting the programme, I guess, wherever such a thing would occur.

Mr. B. Newman: I wanted to ask a few questions concerning the programme in my own community. How many more funds are being allocated in my area in your new $1,500,000 supplementary estimate?

Hon. Mr. Rhodes: I don't think I can give you the exact amount we would allocate to Windsor. I can tell you at the present time we have allocated and forwarded $397,138 to Windsor. This $1.5 million we are talking about is going to be spread around fairly thinly.

We have applications from a lot of municipalities and we are going to have to be a bit selective in those areas which would, I think, have priority. That would have to be worked out. I can't tell you how much more money we would send.

I want to make a correction, too. I mentioned earlier that Hamilton had the most money. That is not so. The city of Toronto, obviously, has had the most with $1,028,000 so far.

Mr. B. Newman: You have a request for approximately $600,000 from the community and you are going to allocate some portion of that. Am I correct in saying that?

Hon. Mr. Rhodes: Yes. I think it is correct to say we are going to attempt to meet part of the requests of all of the municipalities. If I get more money we will be able to do even more.

Mr. B. Newman: Do you do it on an overall request for assistance and then allocate funds on a per capita basis for the communities? Or do you simply base it on where the need is the greater?

Hon. Mr. Rhodes: No, we attempt to do it on a per capita basis to the municipalities. Many times they will tell us how much money they think they want. They may not go to the maximum—

Mr. B. Newman: No, I understand that.

Hon. Mr. Rhodes: We give them what they request us in the way of funding.

Mr. B. Newman: Or up to what they request, rather than what they request?

Hon. Mr. Rhodes: Yes, I think that is probably fairly accurate—up to what they request. We don't necessarily go charging beyond that. In some cases we have met their initial request and, of course, they come back looking for more.

Mr. B. Newman: Do you require the municipality to pass a bylaw first to designate an area? Or do you not?

Hon. Mr. Rhodes: No, we have no designation areas with the OHRP programme.

Mr. B. Newman: Then it is the NIP programme that has the designated areas?

Hon. Mr. Rhodes: That is correct.

Mr. B. Newman: I have seen some of the results of the programmes in my own community—and the NIP programme. I say it is really working. People who would never have been able to afford to fix up their homes can live out the few years left them—may God give them many more years but we know the calendar is against a lot of them—they have been able to fix up their homes and they live in fairly substantial homes now.

The only thing wrong is that some of the elderly especially are a little afraid to get involved. They figure it is going to be a heavy financial obligation on them and they tend to shy away from it. There is a selling job to be done—in some instances on the part of municipal officials—to the individuals on that.

May I also say that in some instances the inspection, even though it is carried out on the municipal basis, leaves something to be desired. I recall one personal experience. I contacted them in the city hall and mentioned it; they came down and said everything was all right. I went down and inspected the home myself. The sills were covered with aluminum and set in such a fashion that the water was going back into the house instead of leaking out.

The city inspectors insisted that everything was all right so I told the lady not to okay the final bill. She didn't do it and then waited for about three months. They finally came down and fixed it up the way she wanted it fixed up, which was the way it should have been done in the first place, and everyone was satisfied then.

Hon. Mr. Rhodes: Can I just touch on two points? One, I am not overly enthused sometimes about the nuts and bolts of both ends of that inspection. I guess this is part of the growing pains of these types of programme. I am not enthused about some of the things I hear about what goes on when the initial inspection is made to determine whether they qualify and what work is needed. That goes back to what the member for Ottawa Centre and others have said about the amount of work which has to be done.

[4:45]

It leaves me just a little concerned that they go in and say, "You've got to spend $7,000, $8,000, $9,000 in order to get this work done properly." I agree with you; I've had some experience with this as well from around the province where the workmanship itself has not been that good and it has been passed by the municipal inspectors. We're trying to clamp down on that as well.

The other thing was about encouraging the senior citizens. Again, subject to the municipality's generosity or willingness, they can give a totally forgivable loan of up to $4,000.

Mr. B. Newman: It's hard for a senior to believe that, though. That's one of the difficult things.

Hon. Mr. Rhodes: Seniors, of course, are used to being independent and they just don't believe anybody's going to give them $4,000.

Mr. B. Newman: Yes, they've been paying their own way.

Hon. Mr. Rhodes: I realize it's very difficult for them to appreciate when you tell them because you're much younger. You should take your colleague, Mr. Spence, with you and he can convince them.

Mr. Cassidy: I'd like to ask the minister first if he could comment on the question of the income limit of $12,500 and whether there has been some sort of change in that in view of the fact that with inflation and other things, it's an ever-decreasing section of low-income families and modest-income families?

Hon. Mr. Rhodes: Gee, I don't know, you confuse me, Mike. I'd like to go back and read what was in the estimates when you and I had our discussion.

I don't think $12,500 is low income, yet, in the province. It's not a massive income but I wouldn't class it as really low income. I would think anyone making $12,500 and less certainly needs more assistance and there are a number of those people right across this province who are making $12,500 or less. You know about them and I do too.

If that number is decreasing, well then, I am encouraged, something has happened. But these are the people I think have to have the most help, and I would like to see the money we are putting out on this programme going to the people who are living in homes —the senior citizens have been referred to— who are trying to stay in their own homes, who desire to stay in their own homes and perhaps aren't able to get into senior citizens accommodation, subsidized housing, at this stage.

I can't see any need to change that income area at this time, the $12,500 and less, because I have people coming into me with much higher incomes looking to get into this programme. Frankly, we're just saying, no, it's the $12,500 and less at this stage.

Mr. Cassidy: Perhaps the minister could comment how much of the funding of the programme this year and what percentage of the funding next year would he expect will go to landlords under the rental portion of OHRP, which has recently been announced?

Hon. Mr. Rhodes: As you know, we allocated $2 million for this fiscal year. We really don't have any experience to know how they're going to come forth looking for this money. We've placed some conditions on that, the conditions being the area of the community it must be in, the fact that it must be acceptable to the municipality—that they will permit the renovation to either existing apartment buildings or to converting existing homes. It's part of our requirement that they enter into an agreement with us as it relates

to rent. So we have no experience yet on how many landlords in the various parts are going to come to us.

One of the things I am concerned about—and I think it's the concern of a lot of people in this Legislature, if not all—is I want to take a good hard look and make sure we aren't just getting some slum landlords who intend to take the money and continue to be slum landlords. I want to be sure they're responsible, that they're sincere in providing good accommodation at a reasonable rent in the areas where they need the most help.

So I can't give you an estimate on the percentage.

Mr. Cassidy: The reason I raise these questions is the following: The money is now to be provided to landlords in areas where there is low- and modest-income rental housing. The money that will be provided in certain cases will, I believe, be more generous than what is being provided to home owners in that same general area, because repairs and renovations up to $2,500 per unit will be given to landlords with a forgivable feature. This means they won't have to repay a nickel, they will get it all for free, so long as they keep the rental property for a certain period of years, whereas with an owner, even if they are on a very low income and get it at a zero per cent interest rate, something like half of the amount that is given to them has to be repaid and they can't get it on a grant.

The second question is this: Let's go back to 1974 and take a family then earning, say, $10,000 a year. By today their income could have surpassed the $12,500 mark but they won't be ahead at all. They will simply have been fortunate enough that their income kept pace with the rate of inflation, but they become ineligible.

What I'm suggesting is that anybody who can afford the operating costs of running a house—with the exception of certain very limited groups, some single-parent women or heads of families and some senior citizens—very likely has an income around that $12,500 mark or above it and still is in a rather desperate and difficult situation. That's why I'm suggesting you should look at this.

I say that in conjunction with the point of view that the total amount of funds provided for rehabilitation is still really inadequate. The commitment—obviously in political terms this is an attractive programme. For the people who benefit from it, it's an attractive programme—we've already granted you that. In terms of the goal of stabilizing low- and modest-income neighbourhoods, on the other hand, I would suggest that it is an ineffective tool.

Let me give you some specific examples if I can go to Ottawa now. The city of Ottawa is eligible and, I believe, has actually taken roughly $600,000 per annum in OHRP funds at $2 per capita. The township of Nepean, which probably hasn't taken its full benefit, is eligible for about $240,000 at $3 per capita because it has a population of 80,000 or 90,000 people.

If you go back 25 years the city of Ottawa had a population of around 200,000 with maybe 60,000 housing units. The township of Nepean had a population of perhaps 10,000 with maybe 3,000 housing units—that's 25 years ago. Therefore the township has 3,000 housing units which are more than 25 years of age and which therefore might need rehabilitation, and it has $240,000. If you're talking about $5,000 as the average OHRP grant, the township of Nepean is eligible for about 500 grants this year or one in six of its houses over 25 years old could conceivably be renovated according to this particular plan.

The city of Ottawa, on the other hand, has about 60,000 houses more than 25 years old. The $600,000 for which it is eligible—let me see if I can get the figures here—would finance approximately 120 grants.

I'm sorry, it's one in 60 for Nepean. In the case of Ottawa, it's 120 grants for over 60,000 houses which are more than 25 years old. That means something like—if I can get it straight—one in 600 or 500 housing units in the city of Ottawa could become eligible.

Clearly that's an inadequate kind of effort to stabilize residential neighbourhoods. I am aware that Ottawa has NIP and RRAP funding—which Nepean doesn't need or does not want—but all the same it seems to me that there are needs in many parts of Ottawa which don't happen to come within a NIP or RRAP area because those grants—the NIP plans—have been on a priority basis and they simply can't have them all over the city.

I would like to suggest there's a real inadequacy there and the minister's programme is not answering it. I'd also like to suggest that there is going to be an inevitable tendency for the landlord side of this programme to increase because the number of people who can afford to be in a house and who have an income of less than the figure set by the ministry will decline year by year. Therefore, you are aiming at a very small group. I think that while it is obvious that somebody who has an income of $9,000 or $10,000 or $6,000 or $7,000 should have

priority in getting the funds if there aren't enough applications at those income levels and there are families with incomes of $13,000 or $14,000 who have managed to get places of their own, it is surely desirable that they shouldn't be forced out of their houses or have to raise kids in substandard conditions because of the conditions created by the ministry.

I have two or three other questions:

First, over what period of time are landlords required to adhere to the rental agreement, which sets a limit on the rent that they charge on accommodation under the rental OHRP plan?

Second, since this is also covered under the vote, will the minister commit the government to pressing very hard on the federal government to follow up the great acceptance of RRAP funding at the local level and to ensure that we don't run short of funds next year as has happened over the course of the current year?

Third—and this is a slightly different area. I was sorry that in his introductory statement the minister did not respond to some comments that we had to make in the House some time ago about a rather different problem which has arisen with serious weaknesses and construction deficiencies in condominiums that were encouraged by the Ministry of Housing or its predecessors over the last eight or 10 years.

Some of those condominiums have had major construction defects, The builders have by now gone bankrupt, or have disappeared, or can't be sued, or something like that. We have recommended that OHRP might be an adequate vehicle to handle those particular problems where condominium owners are now hit with major amounts for repairs in areas where they had little or no control and where they are now victims of hasty construction, of inadequate construction standards, which were encouraged by the ministry of the day.

Hon. Mr. Rhodes: It is not in this vote, is it?

Mr. Cassidy: Yes, because I am suggesting that this would come under the Ontario Home Renewal Programme; that is a reasonable kind of vehicle to use in order to help these condominium owners who've got caught holding the bag because of a programme which the ministry and its predecessors were encouraging some years ago. I would like some answers to those questions.

Hon. Mr. Rhodes: Are you suggesting that the people in those condominiums would qualify under the income limitation? Is that what you're suggesting?

Mr. Cassidy: No, I am not suggesting that.

Hon. Mr. Rhodes: No, I didn't think you were. So what is the point of discussing it? You're making a grandstand play on something that you're bound you're going to get on the floor of the House. Well, be my guest, but don't ask me to respond to it when you know what the answer is.

Mr. Cassidy: There is a serious problem there.

Hon. Mr. Rhodes: I thought we were going to be friendly; apparently we're not, and that doesn't bother me at all.

Mr. Conway: Give it to him, John.

Mr. Bain: We are always friendly, John.

Interjections.

Hon. Mr. Rhodes: Somebody's pulled your shade, has he? All right. Seriously, I—

Mr. Cassidy: It's all the chairman's fault.

Hon. Mr. Rhodes: It's the chairman's fault, is it?

Mr. Cassidy: But he is a fine fellow, none the less.

Hon. Mr. Rhodes: I wouldn't blame him, he's a lovely fellow. He's trying to find a way to bring me to order, I can see it coming. Mr. Chairman, I—

Mr. Chairman: I'm trying to implore you to be less provocative.

Hon. Mr. Rhodes: Oh my heavens, I would never be provocative—violent maybe, but never provocative.

Hon. Mr. Handleman: Why do you think I came in? I didn't come in to hear you not being provocative.

Hon. Mr. Rhodes: As far as the incomes are concerned, the $12,500 figure—somewhere you have a cut off. I know the philosophy of the hon. member. I could raise it to $15,000; it could go to $20,000. I can take you to houses in Ottawa probably where people are making $25,000 to $30,000 a year and because they themselves choose other priorities, their houses could well use $20,000 worth of repairs. I can show you

them in many parts of this province—where people live in what they think they're satisfied with and spend their money on other things.

Mr. Conway: Has Michael Pitfield been talking to you?

Hon. Mr. Rhodes: So I'm not going to run around worrying about the fact that somebody making that kind of salary wants to have their houses repaired at my expense. No thanks. They can make their own priorities. I am going to try and put the money—

Mr. Cassidy: Boy, you really set up straw men, don't you?

Hon. Mr. Rhodes: I'm not setting up straw men.

Mr. Cassidy: Yes, you are. Respond to the question.

Hon. Mr. Rhodes: You have been building straw men in this Legislature for five years.

Mr. Chairman: Order, please.

Hon. Mr. Rhodes: It's time somebody burned a few of them. And that's one of them.

Interjections.

Hon. Mr. Rhodes: This business of everybody having to have a free handout—well, it's not going to happen. I'm not going to debate with you the question of the incomes. They're going to stay where they are. I'll give you the chance if you have this chair some time; do what you will with it. But as long as I'm here we're going to hang on to try and take care of the people in those income brackets.

Mr. Cassidy: Then it is an inadequate programme.

Hon. Mr. Rhodes: The programme is adequate to handle the problems that are existing now. The programme is working well. People are taking advantage of the moneys that are available to them. As far as the city of Ottawa is concerned, last year we allocated them a total grant of $591,000. This year they haven't come in yet, so we don't know when they will be coming in to require their funding. Probably between now and the end of the fiscal year they will come in with their next requirement.

[5:00]

The landlord situation—I don't have that answer right now for you. I can't give you the exact answer as to how that is going to work, what the requirements are. I'm satisfied—and if I'm not I'll make the changes necessary—that we can make sure that the landlords meet the requirements and the intention of our involving them in the programme—limitations on those rents. Regarding the comparison you made between the landlord and the individual citizen or own-home owner, $2,500 is forgivable provided, of course, they meet the requirements of the agreement and the rents are stabilized.

In the case of the individual owner, up to 50 per cent can be but it can go up as high as $4,000 to be totally forgiven, as far as those loans are concerned, so it is better in that extent depending on the size of the programme. The maximum to the landlord, as you know, is $10,000 per unit with $2,500 forgivable.

Mr. Cassidy: The landlord can get a 100 per cent grant.

Hon. Mr. Rhodes: He can get up to $10,000. Ten thousand dollars is the maximum per unit for the repair job.

I may have forgotten one other question.

Mr. Cassidy: The RRAP question.

Hon. Mr. Rhodes: Oh, yes, without hesitation, because when the RRAP situation became questionable not too long ago we did make some contact with the federal government, and I think with some success, in explaining that we felt that programme was working and should be kept going. Certainly the city of Vanier in Ottawa itself approached us and asked for our support of its position and more money suddenly was made available for that programme. I haven't met the new Minister of Urban Affairs as yet. I'm hoping that when I do, he and I will have discussions on the continuation of the RRAP and the NIP programmes both.

Mr. Cassidy: Just a final comment, Mr. Chairman. Under the proposed landlord OHRP which is proposed here, although there is an agreement between the landlord and the municipality, there are some serious questions about enforceability which I hope the minister will look at. Some of the problems that CMHC has had with its agreements with developers under limited dividend might be the area which they might follow.

The second thing is that the landlord, after he's entered into this agreement, can rent to people with incomes exceeding $12,500. In

fact, he can rent to people whose incomes go up to $15,000 or more. He could decide to exclude people with kids because the units have got so nice that he didn't think families should live there any more, and yet he would still not be prevented from continuing to enjoy the forgiveness feature of his grants.

Thirdly, a landlord who decided to do $2,500 work to a rental unit could get the entire amount forgiven, whereas an owner who decided to get $2,500 worth of work done could only get forgiveness on one-half of that amount. It seems to me that in those regards, this is a scheme which is more generous to landlords who begin by having rental accommodation in a modest end of town than it is to home owners in the same area. The landlords get a higher proportion of grant, they're not so subject to the income limitations, and they can decide arbitrarily to exclude families with children. I don't think that's good enough and I think the minister should look at those aspects of the programme very carefully.

Hon. Mr. Rhodes: Mr. Chairman, just briefly, on the question of the rental agreement, I think in the material we say "agrees to permit the municipality and/or the minister to verify rentals from the tenants." So the minister very well can be involved in the verifying of the rentals that can be charged, and we do have that hand on the situation and it isn't a matter of the municipality simply allowing the rents to go up and down. We can have the control.

Mr. Cassidy: You're getting in trouble.

Hon. Mr. Rhodes: Oh, you're suggesting that if we have rent controls, we're getting into trouble. Now that's a real novel twist.

Mr. Cassidy: I suggest it is difficult to enforce.

Hon. Mr. Rhodes: Well, fine. I hope that reads well.

These units will be subject to the rent review programme. I'm not that concerned about the amounts of money that are forgivable. There may be nothing forgivable. It depends on the municipality. They may well say to the landlord, "No, there's nothing forgivable." It's permissive, as you know, up to $2,500 and it could well be he won't get any forgiveness on it.

Mind you, the same applies to a home owner as well and some municipalities, unfortunately, I think, have taken that attitude that they just won't forgive any of it, that it all has to be repaid. I guess that's one of the hazards you have when you allow municipalities to make their decisions themselves as they see it relate to their community. I don't think we're in that much trouble; I think you're anticipating trouble. I'd like to see the thing start; then if there is some trouble starting to develop, surely we can catch it quickly enough to put a stop to it.

Mr. Cassidy: A final point then. I'm basing that partly on the experience that—

Mr. Chairman: You have said "final point" twice now.

Hon. Mr. Handleman: He can have two final points.

Mr. Cassidy: I'm basing that on the experience that people have had with the limited-dividend, OHMC housing in trying to enforce rental agreements there. It has been extraordinarily difficult where a landlord has not wanted to be easy to work with. I'm suggesting that it may be undesirable to bail out landlords who have allowed their properties to become slums by giving them these funds. I'm also suggesting that for the class of home owner over the $12,500 mark—say from $12,500 to $15,000; they're having a rough time too—that to give them money at eight per cent to encourage rehabilitation and the stabilization of neighbourhoods might, in fact, be a higher priority than to help out slum landlords.

Mr. Conway: Mr. Chairman, as a member of this assembly, I must say that I am delighted to see you in the chair. You combine the wisdom of Solomon with the patience of Job, particularly where it relates to some of the more loquacious members of this assembly. I suppose the good burghers of Nigipon should be commended for their wisdom of choice.

Mr. Cassidy: They certainly should.

Mr. Chairman: What's that got to do with OHRP?

Mr. Ruston: Or RRAP and NIP?

Mr. Conway: I just have one or two comments for J. R. Superstar. Like the member for North York (Mr. Hodgson) last night, who I think admonished us all very wisely that we should be quick to point out those things that are positive about achievement in government, I want to say, like many of my colleagues, that I've been quite impressed with the success in many instances that this programme has enjoyed at the local

level with those municipalities in my constituency that have chosen to opt in.

Mr. B. Newman: I think it is the good representation.

Mr. Conway: Of course. That is implicit in all of this.

Hon. Mr. Rhodes: He opted in two years ago.

Mr. Conway: I just wanted to ask the minister one or two things. Firstly, have you got any indication or feedback from the municipalities as to whether there is an average in terms of disbursements under this—not that it would mean a great deal. I'm just wondering if there is an average that is readily available to indicate what the individual disbursements are adding up to or coming out as.

Secondly, I want to raise a matter that I've had directed to me in two or three letters from constituents living in a smaller community in my riding that has opted in. This municipality has roughly 1,000 people; it does not, for example, have the bureaucratic facilities that a larger community in my riding, such as Pembroke, would have. There seems to be some concern on behalf of some of the people who are involved in this programme in that smaller community about the effectiveness that the smaller municipality can provide in terms of inspection.

We've contacted the ministry along that particular point, but I thought I'd take advantage of this opportunity to question the minister to see whether or not that has been a problem in smaller municipalities and whether those people who have participated in the programme in those localities have had a problem with some of the inspections.

I know that many people expect far more from the programme than it is designed to provide, but there seems to be some irritation on the part of some of the people who have contacted me from smaller municipalities about the inspections. Sometimes they're not happy with it, and they are wondering if there is recourse to your central administration for redress.

I want to conclude as well by saying that I think it is a very good and positive initiative and I want to commend you for it. I think it's certainly a step in the right direction.

Hon. Mr. Rhodes: Frankly, we haven't had a great number of complaints—very few, in fact—from the smaller municipalities. Most of the complaints about inadequate inspection come from the larger municipalities; there have been a number there, but not from the smaller municipalities. I think it is safe to say, without being attacked by contractors and others in larger municipalities, that this is a result of the kind of local attitude that exists in the smaller communities. I think the work is done a little better in the smaller communities, because you know who the guy is and he's not that far away. But we haven't had many complaints.

What has been done, though, in some of the areas is that the communities will combine to have an inspector. The property standards officers association in Ontario has been training people from the larger municipalities and saying that they would, in fact, make these people available to go to smaller communities and do inspections for them to see that this work is being done right and that minimum standards are being adhered to.

The average price or the average amount of money being put out per unit, is surprisingly quite low—$3,400 is the average price. That would lead us to believe that there are a number of areas in which the smaller jobs are being done. Some of these are in the smaller communities where the homes require immediate attention, as I suggested, to the livable portion of the house. The other part is allowed to wait because they are being forced to do it.

In larger communities the arm is being put on a little more to get the larger jobs done. But $3,400 is the answer.

Mr. Bain: I, too, would like to congratulate the minister on the Ontario Home Renewal Programme. If he is the author of the programme I would encourage him to embark upon more such programmes. It certainly is very worthwhile and it has brought a great deal of benefit to the people in my riding.

I would like to make three points which I hope the minister will consider and I feel they would be constructive. I don't know exactly how you overcome one of the problems because I can appreciate that one of the cornerstones of the programme is that it is administered by local municipalities and they have a certain amount of leeway with the regulations they have in the programme.

There are a number of townships, small communities, in my riding but in one township no part of the loans are forgivable while right across the concession road is a fellow who is getting $1,000 forgivable. The incomes are basically the same.

I wonder how we can overcome that? There's an obvious injustice. I am sure you will agree that the fellow in the township who doesn't have any forgivable portion feels an injustice. I think there is a real injustice and I throw it out for the minister. I think there should be some sort of guideline on a province-wide basis without taking away the local involvement because I do feel that local involvement in administering the programme is important.

The second problem I have run into is that some townships opt out completely. They don't participate because for various reasons they feel they don't have the staff to run a programme. Usually this is a township which has a part-time clerk or doesn't have a full-time person on the job, and it doesn't feel that it has the personnel to become involved in the programme.

Therefore, the people in that particular township cannot participate in the programme. I was wondering if the minister would consider doing the same thing as he does for unorganized townships. In the case of unorganized townships in northern Ontario, the programme is administered by the northern affairs officers and, in the case of my riding, the two offices in my riding do a very capable job of administering the programme.

Would the minister consider allowing the programme in organized townships which feel they don't have the personnel to participate in the programme, to be administered by the northern affairs officer so that the people in those townships wouldn't be denied participation in the programme?

Lastly, I have a point which hasn't been widespread, at least from my own personal experience, but I would like to bring it up for the minister's consideration. On a couple of occasions I have run into situations in which people have applied for an Ontario Home Renewal Programme loan or grant and they have been denied it or they haven't received what they felt they should have received. There doesn't seem to be a normal appeal mechanism.

[5:15]

I was wondering whether the person should appeal to the minister or do you feel that some sort of appeal board would be appropriate, since it is a programme funded by the province? I would hope that this appeal board would be used very seldom. But do you think there would be some sort of appeal mechanism like that, that would be appropriate, or would you advise people who do have an appeal they want to make that they either go through their member to the minister or go directly to the minister? I would appreciate the minister's comments on those three points.

Hon. Mr. Rhodes: First of all, Mr. Chairman, I think the point is extremely well made on the fact that on one side of a concession road there is the forgiveness portion of the loan and on the other side there isn't. It has caused me some problems. I think we can make the necessary changes there that are required for this programme to apply uniformly. There is a limit to what you can do as far as the local autonomy sort of thing is concerned. I would like to take some time to look at that to see how we can work it out favourably and allow this thing to have uniform application, in particular in that forgiveness area. That is a difficult one.

As to the question of the inspections of the units, yes, the northern affairs officers I think is another good point you have made and a valid one. In those smaller municipalities they are concerned about trying to get into these programmes and I wonder sometimes if we don't prevent them from getting into them because of the fact they don't really have adequate staff. So in the unorganized territories we are using two areas that you are probably aware of—the northern affairs officers and the health units. I think we can apply those to the smaller municipalities. I'd like to take a look at what sort of workload they think they can handle depending on the size of the municipality and what the population is, but I think that can work.

I haven't had a great many complaints as to those who feel they have not been fairly dealt with, but many of them may be staying within the municipality itself. I would think at this stage that perhaps the best way to appeal this sort of thing, because the programme is being funded out of the ministry and through the ministry, is the latter course that you propose whereby the matter is brought to the member and the member in turn can bring it to the minister and allow the minister to deal with it to the best of his ability with his staff and perhaps do the follow-up work through whatever agency is doing the inspection, be it the municipality or be it the northern affairs officer, to attempt to give them some satisfaction as to what has happened and not simply have a flat "no." So I think those three points can be taken care of.

Mr. Mancini: Mr. Chairman, I just have a short question for the minister. I believe it was partially answered just a moment ago. I happen to come from an area where I have to believe that the staff in the municipalities

is fairly adequate. We have one area in particular where there have been at least half a dozen calls come to my office about people who fall into the category where these loans and grants probably would be approved for them. But they go to the township and the township says, "No, it's a big plan, it's a big programme, we just can't set it up." I was wondering what your ministry was doing to try to help to explain to these municipalities so that it just won't create a lot of bureaucracy and just not create a lot of work and that they should funnel this money through to the people. There's nothing that I as a member can do if the municipality just does not want to assist.

Hon. Mr. Rhodes: Mr. Chairman, I certainly make the same offer to the hon. member as I made earlier to the other hon. member. Perhaps if I knew where you fellows were from it would be easier.

Mr. Mancini: I am from Amherstburg.

Hon. Mr. Rhodes: Amherstburg. That's not the name of your riding.

Mr. Mancini: Essex South. You should know where I am from by now.

Hon. Mr. Rhodes: No, it is so seldom I see you in the House that I just wasn't sure there was anybody there.

Mr. Mancini: Mr. Chairman, on a point of order, I think the minister should retract that statement, because it is not true.

Mr. Deputy Chairman: Order, please.

An hon. member: It is.

Hon. Mr. Rhodes: Mr. Chairman, I wouldn't withdraw the statement. I didn't say anything derogatory. I simply said it is so seldom I see him in the House because I don't very often look over there.

Mr. Deputy Chairman: Perhaps the hon. minister would be less provocative and we can get on with the debate.

Mr. Cassidy: It's because you are fixed on the NDP.

Hon. Mr. Rhodes: The hon. member is in the Legislature so often that I sometimes become used to him. Do you feel better?

Interjection.

Hon. Mr. Rhodes: We make the same offer to you. If you would like us to have our people go down and meet with the municipal council, we would be glad to do that. The literature that has been sent out explains it pretty clearly.

There is not a great bureaucracy involved. I think you are right that many of these communities do have existing staff doing other jobs. I know in my own community, there was no additional staff required for the programme and existing staff took on this extra portion of work and are doing it quite well. But if you need assistance from us, we have people who would be glad to go down and meet with those councils, meet with officials and discuss the setting up of the programme and get them into it.

Vote 2002 agreed to.

Mr. Deputy Chairman: This completes the supplementary estimates of the Ministry of Housing.

SUPPLEMENTARY ESTIMATES, MINISTRY OF GOVERNMENT SERVICES

On vote 803, upkeep of accommodation programme; item 2, repairs, operation and maintenance:

Mr. Deputy Chairman: This vote deals with the upkeep of accommodation; repairs, operation and maintenance. The hon. minister.

Hon. Mrs. Scrivener: These supplementary estimates now being submitted to the House for approval are to provide for increases in energy costs and for urgent building repairs. The amounts are for repairs, operation and maintenance; $1.75 million for energy, $650,000 for increases in repair projects.

Mr. Ruston: A question to the minister. I haven't been able to receive any information as to what these estimates are for; we did do a little calling but haven't been able to find out. Now you say they are for extra energy cost and building repairs. Now, you know, what—

Mr. Hodgson: That is that office you have on the third floor, Dick.

Mr. Ruston: What's the matter, Bill? It is nice to see you!

Mr. Deputy Chairman: Order please.

Mr. Ruston: That's wondeful! It is nice to see you, Bill, over there.

Mr. Deputy Chairman: Order, please.

Mr. Ruston: I haven't seen you for so long.

Mr. Deputy Chairman: The hon. member will refer to the other hon. members by their ridings, please.

Mr. Ruston: Yes, well I will have to stop and figure out where he is from.

Interjections.

Mr. Deputy Chairman: The hon. member will continue debating the estimates.

Mr. Roy: Tell him to keep his voice down. He woke up the member for York North. The member for York North is awake.

Mr. Ruston: When you say building repairs, what would the necessity be for building repairs? Was it higher costs of some of the jobs that you had planned and is this what the extra money is for? Can you tell me that, Madam Minister?

Hon. Mrs. Scrivener: Basically these are for repairs that could not be foreseen a year ago. This means a breakdown or something that has become obsolete and worn out, as for instance an elevator which has required an urgent expenditure for repair. These are repairs which we could not predict a year ago.

Mr. Ruston: Could you give me a rough idea of the major ones? I don't want to get into the small ones, but have you got any listing there of some of these major repairs and where they were located?

Hon. Mrs. Scivener: Yes. As for instance, for the Minister of Agriculture and Food (Mr. W. Newman) in London, Ridgetown College; repairs to the electrical distribution system. The wiring deteriorated causing an overloaded and unbalanced system. Overhead lines were in real danger of collapse. And so the cash flow this year is $18,300 and that's about the total cost of that particular project.

In terms of, say, the district jail at Haileybury, it was necessary for us to replace windows completely with security screens and this was a security measure. The existing wooden windows were in an advanced stage of deterioration. The existing security is now provided by steel bars. The arrangement for these bars could allow weapons to be passed to prisoners. To reorganize this security system would involve a cost of $47,100.

Another example would be cables for phase two of the five-kilowatt distribution at the E. C. Drury school at Milton. This system is in a critical state due to deterioration of existing cables resulting in considerable expenditures for emergency temporary repairs—$47,900. In Woodstock, the hospital required an overhaul and update of two elevators since the existing elevators were old and a continuous source of trouble. That cost was $40,000.

Mr. Ruston: None of the money you are asking for in these supplementary estimates will be used for any other project? It is strictly for energy costs and building repairs. In other words, we are not getting into any other areas of your ministry. Is that correct?

Hon. Mrs. Scrivener: Yes, I assure the member that this is true. These are all repairs and expenditures for energy costs which could not have been predicted one year ago.

Mr. Conway: I was just going to pursue that line of questioning about the services. I was going to talk about services in the scrolls department of protocol and ask for the minister's comment about the ongoing politicized aspect of the scrolls department.

Mr. Deputy Chairman: Order, please.

Mr. Conway: Presumably that may not be in order.

Mr. Deputy Chairman: I am not aware that that item falls within this budget and I would ask the member to refrain.

Interjections.

Mr. Conway: I can assure you, Mr. Chairman, I will certainly retire. I know the minister will take this into consideration and have the Premier's office stop interfering in the normal administration of this—

Mr. Deputy Chairman: Order, please. Can we return to this particular item? Is there any further discussion on item 2 of vote 803?

The hon. member for Wentworth North.

Mr. Samis: That is what I call cohesiveness, Albert. Stand up, Eric.

Mr. Roy: I told you before to stand up.

Mr. Cunningham: Mr. Chairman, I am intrigued by this discussison on energy costs as it relates to this $2.4 million. I would like to ask the minister how she could so seriously underestimate the demands that we have on the various plants, utilities and buildings we are required to operate here in the province of Ontario.

I am drawn to several questions. First of all, are we not trying at this particular time

to make an effort to curtail our expenses as they relate to energy expenses and are we not involved in various methods of economy to effect some real savings here? Just what is being done in that ministry to result in some savings to the taxpayers, at least as it relates to energy conservation? I know that on many days in this particular building, the temperature seems to be in excess of 80 degrees.

Mr. Conway: That is after the Premier's speech.

Mr. Cunningham: I am wondering, is part of this money being used to pay for maintenance charges or cleaning work being done on buildings that are currently at this time unoccupied? And if not, what is the extent of money we are paying right now for unoccupied buildings?

Hon. Mrs. Scrivener: As I commented at the beginning of this statement, $650,000 of the total amount of $2.4 million is for repair projects. The balance of $1.75 million is for increases in energy costs. I think that description is perhaps a misnomer inasmuch as a year ago we could not foretell what the actual cost increases in energy would be; we simply increased our requirement for energy costs by five per cent at that time, knowing full well that this probably would not cover increased energy costs and knowing full well that we would probably have to come back with a supplementary estimate on this item. There was no alternative Mr. Chairman, since that was the amount we could justify at that time. These are increases in energy costs; specifically for purchase of steam, gas, oil and so forth.

[5:30]

Mr. Cunningham: To use a phrase we've heard here in the past, I am reluctant to become provocative but would it be fair to ask the minister or at least to infer on my part that one of the reasons she underestimated was to make the original budget look much better than it was? That would be unfair? I won't ask that then.

Mr. Conway: Ordain her!

Mr. Cunningham: I want to tell you I didn't expect an answer.

Mr. Conway: You won't get one from her.

Hon. Mrs. Scrivener: Mr. Chairman, the real fact is that our great desire for honesty and integrity in our budget precluded an increase over five per cent.

Mr. Mancini: Just read your own mail.

Mr. Conway: Did you ever get that boulder out of the parking lot?

Mr. Deputy Chairman: Order, please. The hon. member for Wentworth North—is there any further discussion on this?

Mr. Cunningham: I have one more point, Mr. Chairman, and I'd like your guidance on this. I'm wondering—we're being asked at this point in time to vote $2.4 million in supplementary estimates and as the member for Essex North has indicated, there has been very little assistance to him as our critic in providing him with some information as to a general breakdown. We're given a very cursory indication of how these moneys are being spent and I must say that it really is difficult to examine these expenditures effectively. I must say that, fundamentally, I'm more or less offended by this discourtesy. I'm wondering if it is the customary procedure in this place to do this kind of thing?

Mr. Conway: Freedom of information. Do the hatchet job.

Hon. Mrs. Scrivener: Mr. Chairman, I am sorry if the member for Essex North feels inadequate information has been provided. Really and truly, this supplementary estimate is quite self-explanatory. It is exactly what the words say it is.

Mr. Roy: It is not.

Hon. Mrs. Scrivener: It is $1.75 million for increased costs of natural gas and other fuels.

Mr. Roy: You make C.D. Howe an amateur.

Hon. Mrs. Scrivener: The balance is for very small but basically costly emergency repairs to buildings throughout the province.

Mr. Deputy Chairman: Shall item 2—

Mr. Roy: No.

Mr. Deputy Chairman: The hon. member for Ottawa East.

Mr. Roy: I want to say, in support of my colleague from Wentworth North, that it seems to me, listening to your explanation as to energy, that it's obvious—the evidence is there no matter what you say—your energy conservation programme is certainly not working.

The feds, I think, are looking at saving maybe 10 per cent in energy, and when you budget five per cent over and above last year's budget and you still don't have enough, it appears that the energy pro-

gramme your colleague, the Minister of Energy has been talking about has not been that successful. When we're considering brownouts in this province I think maybe you should look at the amount of energy used in those television lights and whether they're needed in this place or needed for that length of time. Are you going to install Christmas lights in those trees you've just put up in the hallway? These are all things that government—I don't want to be the grooch or the grouch that killed Christmas here but—

Mr. Bain: Go ahead.

Mr. Roy: What do we call him? Scrooge? It seems to me, to the minister, that if we're trying to set an example for other people in the province, you should give some evidence of leadership in the area of conservation of energy. The fact that you're coming back here for supplementary estimates and we're doing all these things, is certainly not good evidence of that coming forth.

Hon. Mrs. Scrivener: Mr. Chairman, I'd be very pleased to direct the member's comments concerning the klieg lights here in the chamber to the Speaker for his attention. As to the Christmas tree lights, our expenditures for Christmas tree lights have been greatly reduced and, of course, our tree lights are on timers now. We have them come on at a very specific time and turn off at a very specific time.

All our energy conservation methods in this ministry are very considerable but we cannot control the actual cost of the fuel we consume. That's beyond us.

Mr. Warner: All those people in the Moog building over there.

Ms. Sandeman: I would like to congratulate the minister on the fact that finally the ministry has discovered the simple device of the on-off light switch for the members' offices. I've been appalled ever since I've been here by the fact that when I left at night I couldn't turn the light off in my office. I was delighted to have to sit in the dark the other night while that small matter was rectified.

However, I wonder if you could somehow advise the cleaning staff and the security staff as to the use of that little switch on the wall. I turn the light off when I go home at night. My assistant comes in or I come in in the morning and the darn thing is back on again. We're never ever going to save any energy around here if people can't be taught how to use one finger with a little switch on the wall.

Mr. Singer: Mr. Chairman, I presume some of the money in here is going to be used for this building. Am I correct in that?

Hon. Mrs. Scrivener: For the heating, yes.

Mr. Singer: And probably some of it will be used for that press conference room down there. That comes under your control doesn't it?

Mr. Roy: That's right.

Hon. Mrs. Scrivener: You are talking about heating sources?

Mr. Singer: Yes, yes, and the lighting and the control and the furnishing, that's all yours. Can you tell me what the rules are and how a man named Southcott got permission to hold a press conference—

Mr. Deputy Chairman: Order, please. I'm not certain there would be any extra fuel utilized for that.

Mr. Singer: I'm sorry, I didn't hear you, Mr. Chairman.

Mr. Deputy Chairman: The Chair just observed that in all probably there wasn't any extra fuel used for that.

Mr. Singer: Oh, there must have been.

Mr. Breithaupt: Mr. Chairman, that would only be true if it was heated by the hot air of the conference that was going on at the time.

Vote 803 agreed to.

Mr. Deputy Chairman: That concludes the supplementary estimates of the Ministry of Government Services.

SUPPLEMENTARY ESTIMATES, MINISTRY OF CULTURE AND RECREATION

On vote 2806, sports and fitness programme; item 2, community assistance:

Hon. Mr. Welch: Mr. Chairman, I am asking for consideration for an extra amount of money which is completely related to the special programme for the repair and in some cases replacement of arenas, in order that they might be brought within certain building regulations. I would draw to the attention of the committee that the committee has already considered in the formal estimates presentation of the the ministry the request for some $8.97 million for this vote. I would report that we have paid out now

about $4.8 million, representing 670 projects. The remainder, which is $4.1 million, represents the amount we will need to honour commitments for an additional 900 projects. That is the regular vote.

In so far as the special programme is concerned, bringing some other facilities up to building code regulations, we have now about 105 applications which have been committed or are in the process of being committed. With some expected delays, they represent the amount to which we are now asking the committee to give some consideration as extra funds—that is $6,178,000.

Mr. Samis: Naturally, we realize the importance of this expenditure, although maybe not in the city dominated by the Maple Leaf mint to the east of us. I would ask whether the minister, in the brief time allotted to us, could give us any information about whether he has any funds afforded to the member for Grey-Bruce (Mr. Sargent) on behalf of the athletically inclined or physically unfit members of this Legislature so they can engage in their form of recreation east of here in the mint. Since there seems to be a very poor turnout at these athletic events, maybe the minister could make provision for adequate recreation facilities or at least incentives for the members here to engage in such activities.

Mr. Breithaupt: Perhaps a social hour.

Mr. Deputy Chairman: Order, please. It would seem to me that this vote is for arena repair.

Mr. Samis: Right, that was the whole point of it.

Hon. Mr. Welch: Not human repair.

Mr. Cunningham: You are beyond repair.

Mr. Samis: Very briefly, Mr. Chairman, in the time allotted, let me say we would support the use and expenditure of this money. There is no question that in these small towns in Ontario, with the crises and problems that were faced by many of them just in the last few months, this money is vitally necessary, number one, to assist them to meet the financial need, and, secondly, to ensure the very important social, cultural and athletic programmes, namely the hockey programmes engaged in most communities, be afforded to the residents, taxpayers and children of those communities.

The only thing I would say is that if we look in retrospect at how this whole situation developed, it left something to be desired. I would hope that the ministry would take note of the lesson that may be learned from this experience. We had communities building arenas, say five years ago, according to the existing standards; then we had the snow load standards or provisions increased. It does make it very difficult in small communities to have some bureaucrat from Queen's Park, or some unelected, irresponsible—in its best sense—official, tell them they must spend X number of dollars to make their arena meet the new provisions and the new standards. I would hope that there would be a little more consistency in the actual standards or provisions laid down for small communities.

I did note that in certain publications, Farm and Country for one, there was a certain amount of resentment that many of these decisions for fairly sizable financial obligations on small communities were made by non-elected officials, the bureaucrats at Queen's Park, in a rather arbitrary way. Finally, when all this pressure built up from the various small communities, the Ministry of Labour did show some flexibility. I congratulate the Minister of Culture and Recreation for assisting the inflexible ministers to show some semblance of flexibility and, horror of horrors, some symbol of humility, in the whole process. For the fact that he's provided extra money through the sports and fitness programme, along with relaxing the provisions for Wintario for communities in southern Ontario and western Ontario to meet those somewhat arbitrary deadlines, I congratulate him as well.

So overall, Mr. Chairman, on this item we would support the expenditure of this amount. We would ask that the minister in future not allow the bureaucrats to exercise such an arbitrary power over small communities, but we say right on and go ahead.

Mr. Kerrio: I am somewhat disadvantaged, I just came up from committee. I think the House leader must have done that on purpose to let me fumble a little so that I can't go at him.

Hon. Mr. Welch: No. I don't think you need any practice.

Mr. Kerrio: You know, that's two I owe you now, Bob. You got me in trouble with the hockey players and here I am again.

Mr. Foulds: Keep going, Vince. We don't want to go overseas. Let that be on the record.

Hon. Mr. Welch: You play hockey too well to be an old-timer.

Mr. Kerrio: We certainly are disadvantaged in this vote because we can't level our guns at the hon. minister because we concur with what he's doing here. I will only make a couple of comments that I think are reasonably valid.

I would like to refer to Hansard of June 3, on page 2901. We were talking about estimates at that time and I'd like to read into the record, Mr. Minister, that at that juncture I said: ". . . the other point I wanted to make has to do with the priorities in Wintario funding. I suggest to you that there are many arenas across this province which have been up for 20 or 30 years and might very well be closed down because they badly need repairs. We are going to have people suffering in many small communities while you're building $3 million to $4 million edifices in other communities. That's how well the prorities are working within that ministry."

I have to think that for a new member here, I might have been looking forward to what's happening to us today. And the one thing I'd like to say to you, Mr. Minister, is that I haven't changed my mind. I feel badly that we have to go to supplementary estimates to raise this kind of money. I have to think that if there was anything meaningful to be done with Wintario funds, at this juncture we should be injecting them into this very worthwhile cause.

Be that as it may, I'll join with the critic from the NDP and be favourable to these supplementary estimates.

[5:45]

Interjections.

Mr. Moffatt: Mr. Chairman, I'll be brief so that the member for Sudbury (Mr. Germa) may make more acid comments than I might. I wanted to raise a couple of items with the minister which I think need to be taken into consideration. I've been in contact with his office and while the people there are very pleasant and always cordial there is a tendency for things not to happen from time to time.

The two points I would like to raise are these. No. 1. If a municipality embarks upon a programme of arena repair using the funds allocated in the vote, quite often it finds it suitable to use volunteer labour in order to meet the financial commitment which is called for under the Act but those people who are involved in that volunteer labour are not covered by Workmen's Compensation insurance, nor are they covered by any kind of insurance from the ministry. In most cases, the municipalities are finding that the insurance provisions in place at the present do not cover people who might be employed on a volunteer basis to fix arenas to comply with the Act.

Because this is of a general nature and runs across the province, I think there should be some sort of policy taken out by the Wintario people so that when a municipality is participating in this kind of programme and volunteer labour is called for the workers are covered under this particular Act in some fashion.

What happened in my own local area was that the municipality was held up for about a week and a half in making its repairs as a result of not being able to arrange this kind of insurance.

Mr. Conway: Gets him re-elected.

Mr. Moffatt: I think that could be done and people in the minister's office think it could be done but it hasn't been done. I would ask that when these kinds of projects are embarked upon in the future, we look at that aspect of it as well.

I think one of the other things which needs to be corrected in this whole business is that Wintario or your ministry, however it's done, needs to be a little more adept at making those initial commitments to municipalities when they are first exploring the difficulties they get into with such activities as repairing an arena which has been deemed to be below the standard of the building code. What I think needs to happen is that there should be a written commitment from Wintario which will give those people the necessary support as soon as the problem is deemed to be one of urgency. What we had to do was call a series of public meetings, write back and forth, approach people and while the staff people in your ministry are always very co-operative, it always took two to three weeks simply to set up that initial meeting.

I would think that if we're faced with this kind of situation again, at the same time as the order to close the arena goes out, there should be a very specific statement from the ministry indicating the amount or degree of participation that your ministry will embark upon in order to create confidence in the local municipality that the situation can be corrected.

Mr. Conway: Moffatt for president.

Mr. Warner: Well done.

Mr. Conway: Great man. You'll be the leader some day.

Mr. Moffatt: Be careful, Conway.

Mr. Gaunt: I have a few brief comments. As you know, I was one of those people who was rather critical of the programme undertaken by the Minister of Labour and I was critical on the basis of how the ministry went about handling this entire matter. Certainly, I recognize, and anyone recognizes who stops to think about it for a moment, that these buildings have to be safe. They're public buildings. They're occupied by young people and old people on many occasions and they have to be structurally safe.

I think there is a distinction between being structurally safe and meeting requirements which, in the judgement of many people who know much better than I, are overbuilding requirements. The fact of the matter is that in many cases the ministry looks upon the standards under the National Building Code as firm requirements whereas many engineers tell me that the National Building Code requirements are simply intended to be guidelines only.

What the ministry has done is go out and require engineering reports from all of these communities which have arenas. If those buildings don't come up to the absolute standards as indicated under the National Building Code, then the ministry says that changes have to be made; hence the need for the additional funds under this particular vote.

All I'm saying to the minister, and more particularly to the minister's colleague, the Minister of Labour, is that I think it's a case where the bureaucrats have become a little too zealous in their application of the intent. It seems to me that the building code is nothing more than a guideline. What one is going to encounter from time to time is that when the building code standards are changed, we enter into a completely new round of additional and more onerous requirements. Under those circumstances, I say to the minister, we're really going to be encountering this kind of thing periodically, perhaps every five years or so. Really, I don't think that should be the intent of the ministry or the government.

What we want to do is make these buildings safe for public occupancy. We don't have to have them so strong that you can ride a Sherman tank over the roof or be unrealistic about the requirements. If one is building a new arena today, fine, have it meet the requirements of the National Building Code. But buildings which were constructed 20 years ago surely don't have to come in for retroactive application of the National Building Code, which is precisely what you're doing in these cases.

The only other comment that I would make—and I'm buttressed in this by my colleague from Wilson Heights (Mr. Singer)—is that the government doesn't have the legal authority to close these arenas. It is running a bluff game on this score. I suggest that it doesn't foster goodwill in the communities when the government comes in and really doesn't have the legal authority to do it, but does it anyway.

I say to the minister that with the hospital experience and now with the arena experience—

Mr. Singer: Not to mention the constitutional experience.

Mr. Ruston: Nine-zip.

Mr. Gaunt: Surely one of these times the government will learn a few lessons along the way.

With respect to the additional moneys that are requested under this vote, $6.178 million, I certainly would support that expenditure. I'm glad to see the minister making use of that money in the way in which he's doing it. I would ask a further question of the minister—I think he's anticipating me—how are we coming along with the situation in Seaforth? With those comments I'll sit down.

Mr. Germa: Mr. Chairman, my riding was one of those communities which was struck like a thunderbolt when we found out that these beautiful arenas that we had become accustomed to were being condemned. A public meeting was called in the little town of Copper Cliff and, make no mistake about it, all hell was breaking loose. These people, who since 1935 had become accustomed to this arena, were really disturbed that it would have to be razed to the ground after estimates were obtained which indicated that the cost of repairs would exceed the cost of new construction. The building today has been razed to the ground.

An interesting thing happened, however; and I don't know how it happened. The arena was originally built in 1935 by the International Nickel Company; it sat on International Nickel Company ground. Two or three or four months prior to this thunderbolt striking Ontario, the International Nickel Company had gone to the mayor of the city

of Sudbury and said, "We want to give you our arena." The mayor, a very astute person, despite the fact he is a Tory, looked this gift horse in the mouth. He said, "Why would International Nickel Company want to give me this arena?

Mr. Conway: He wasn't very astute.

Mr. Germa: He found out two or three months later. I have been wondering ever since how the International Nickel Company found out that you people were going to come in and condemn their arena.

Mr. Gaunt: Ah, they have a real in.

Mr. Germa: That was the situation at the public meeting. Since that time, I understand the transfer of property—maybe the minister can inform me—the transfer has taken place, the arena has been razed and moneys are forthcoming to construct a new arena in the town of Copper Cliff. I would just ask the minister what kind of moneys are involved. Does the municipality of Sudbury now own the site? I understand 75 per cent of the cost of the new construction is going to be paid provincially—50 per cent from your ministry and 25 per cent from some other ministry. I am just asking whether all things are in place. Are all signals go? How many dollars are involved in the new construction in the town of Copper Cliff?

Mr. Angus: Just one question to the minister: I'm wondering whether there is any money in this vote to purchase the shares of Thunder Bay Ski Jumps Limited?

Hon. Mr. Welch: Mr. Chairman, the answer to the last question is no. The answer to the question from the member for Huron-Bruce, particularly with respect to Seaforth, is that we had a very fine meeting at which he was present. We felt under the circumstances that if the town of Seaforth, in consultation with its engineers, could take a look at its report and particularly relate those aspects of the programme it presently has under tender to the Ministry of Labour requirements for building, we would in fact take another look. We are waiting to hear back from them officially with respect to that.

Mr. Gaunt: You haven't heard from them?

Hon. Mr. Welch: No, not on that particular subject.

To the member for Sudbury, I don't have all the particulars here with respect to that specific site. I am advised that the transfer of ownership is in fact completed, and that the property now is in the ownership of the municipality, and certainly it would qualify for this programme. I would be glad to provide him with complete particulars in so far as that programme is concerned.

Vote 2806 agreed to.

Mr. Deputy Chairman: This concludes the supplementary estimates of the Ministry of Culture and Recreation.

SUPPLEMENTARY ESTIMATES, MINISTRY OF THE ATTORNEY GENERAL

On vote 1202, administrative services programme; item 1, programme administration:

Hon. Mr. McMurtry: Mr. Chairman, the item with respect to these supplementary estimates is in the amount of $5.4 million and represents additional funding requirements to the Legal Aid Plan.

It is as a result of changes in the volume and average value of payments to Legal Aid solicitors. The increase in the number of accounts was in the area of $13,000 plus and the average account over some 65,700 accounts increased by $27. This is how the figure of $5.4 million is made up.

The average cost increase in the legal accounts was caused mainly by a larger number of complex criminal trials.

Mr. Conway: Lawyers making a killing.

Mr. Lawlor: Obviously the Attorney General doesn't trust my ability to complete the remarks within three minutes. I think it's just possible we can do so. We anticipated these particular votes. We are wholly in favour. I simply want to take one moment to commend the Attorney General upon the highly diplomatic, almost exquisite statesmanship of his appearance before what would otherwise have been a fairly hostile body a week or two ago at OISE, on a Saturday, with respect to Legal Aid and to individuals in paralegal work, et cetera. You've made a very auspicious—you might even have possibilities as a politician eventually.

Mr. Moffatt: A successful one.

Mr. Lawlor: In any event we give our accord to Legal Aid and you well know it.

Mr. Roy: I'd like to say on these estimates how pleased I am—I'm sure the Attorney General is as well—to welcome the member for Lakeshore back. We must say that the rest or whatever medical assistance he received certainly seems to have been salutary.

Any time we can have him on his feet for only three minutes I think—

Hon. Mr. Welch: He made a brief one.

Mr. Moffatt: Follow his example.

Mr. Roy: I'll follow his example. I agree with the member for Lakeshore that we anticipated these amounts.

In the future we hope to have some statement as to some of the decisions which are going to be made in Legal Aid on tightening it up. We made suggestions, as you recall, during the estimates and we'd like to see some of these brought forward. I think there are still constructive ways of making the plan more efficient, maybe stopping a few abuses here and there. There have been not only suggestions by some of the lawyers, but by some of the individuals, the accused and so on.

The last thing I'd like to say is that as a lawyer, I have no qualms whatever in supporting this vote. After hearing some of the moneys that went to the doctors, I hear from the estimates recently—

Interjections.

Mr. Roy: My God, we're puny amateurs in this game.

Interjections.

Vote 1202 agreed to.

Mr. Deputy Chairman: This completes the supplementary estimates of the Ministry of the Attorney General.

On motion by Hon. Mr. Welch the committee of supply reported certain resolutions.

Report agreed to.

BUDGET DEBATE

Resumption of the adjourned debate on the amendment to the motion that this House approves in general the budgetary policy of the government.

The House recessed at 6 p.m.

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Cunningham, E. (Wentworth North L)
Davis, Hon. W. G.; Premier (Brampton PC)
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MacBeth, Hon. J. P.; Provincial Secretary for Justice and Solicitor General (Humber PC)
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Stephenson, Hon. B.; Minister of Labour (York Mills PC)
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Third Session of the 30th Parliament

Thursday, December 2, 1976

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

THURSDAY, DECEMBER 2, 1976

The House resumed at 8:05 p.m.

BUDGET DEBATE
(continued)

Mr. Speaker: When we rose at 6 o'clock, we had called the order of budget debate. Do we have a speaker? The hon. member for Windsor-Walkerville, I believe, was in the midst of his remarks. He may continue.

Mr. B. Newman: Mr. Speaker, I would like to continue the remarks I originally started in the month of November. Here it is December and I am still on my feet making these comments.

Mr. Ruston: I didn't know you were so long-winded.

Mr. Deans: I am surprised you could stand that long.

Mr. B. Newman: I attempted in my earlier remarks to point out to the members of the Legislature the inequities of the provincial grant structure as it applies to the city of Windsor—

Interjections.

Mr. B. Newman: —and I had asked for fair and equitable treatment for the Windsor taxpayer. Quite often it is said that we are in an advantaged position in comparison to other municipalities in the province of Ontario with approximately the same type of population.

Mr. Ruston: The advantage is we don't have any Conservatives in Essex county or Windsor.

Mr. Hodgson: That is a disadvantage.

Mr. B. Newman: We are not advantaged at all as far as the grant structure is concerned. Otherwise I wouldn't be on my feet at this time attempting to point it out to the hon. members who are in this Legislature at the present moment. We are requesting that the government take a good serious look at the information the municipality has provided to the Ministry of Treasury, Economics and Intergovernmental Affairs in relation to the resource equalization grant and the general support grant. Referring to the grants and comparing London, a municipality of approximately the same size, to Windsor we find that in 1974 Windsor was in a deficit position to the extent of $3,245,000. In 1975 the loss on the combined resource equalization and general support grants, was $4,100,000. In 1976 the loss on the combined resource equalization grant and general support grant was approximately $4,900,000. We don't say that London should not receive what it has received. We don't ask for any cut backs. We simply ask that we be treated in exactly the same fashion.

In the three years there was a difference of approximately $12,245,000. That is not fair to the citizens of Windsor, in my estimation. The figures provided to me and the brief presented to the government clearly indicate that discrepancy. We would like the ministry to take a good serious look at the figures presented and adjust both the resource equalization grant and the general support grant so both communities are treated in exactly the same fashion.

I had also asked that legislation be introduced so that the third level of government which is not covered under an election expenses Act be so covered. We have the federal legislation, we have the provincial legislation; now we need legislation that would cover municipalities. In this way we would take the idea of raising funds out of the closet and put it on the table and everyone would be able to know just exactly the amounts of money that were received and spent. Personally, I would like to see limitations put on that—

Mr. Samis: A bill was passed on that some time ago.

Mr. B. Newman: You may come along and say that you have passed a bill. The city of Windsor has passed a resolution which I read into the record quite some time ago, so you can see that it is a very progressive community—

An hon. member: Don't say that word.

Mr. B. Newman: —progressive to the extent that they can foresee needs and don't

hesitate to express the needs for justice and equality.

I also had commented on the price of home heating fuel and how it will and does adversely affect those on limited incomes and those on fixed incomes. At that time I attempted to point out a plan that is being used in some of the jurisdictions to the south of us. For example, the state of Michigan right now has a proposal that has been introduced by the chairman of the Michigan Public Service Commission, a gentleman by the name of William Rosenberg, which would provide relief or assistance as far as fuel bills are concerned to approximately 350,000 Michigan families—families that really need assistance, and because of having to pay higher fuel bills are lowering their standard of living.

Under the Rosenberg proposal, the family utility bills would have to be at least equal to 10 per cent of the family income to be eligible. If they were over 10 per cent of the family income, then they would be eligible for some type of assistance from the state. It sort of parallels the programme that they have concerning food stamps. However, they put the limitation on this that it applies only if your utility bills go over 10 per cent of your family income.

What would happen is, vouchers would be issued in the name of the eligible recipient and he would be able to use these in the payment of his fuel bills. They would not be transferable at all. The individual on fixed or limited income would not be as adversely punished as he is today when fuel bills continue to escalate.

I am not saying we should implement the proposal, but I think we should be looking at the proposal. If it has merit or if it needs refinement, then maybe we should be refining these proposals so we can introduce something that could alleviate suffering for the categories of individuals that mentioned.

One of the other topics I did cover was voting rights for the handicapped. The handicapped in a lot of municipalities now can only vote in the advance poll, where they generally find the polling subdivision on a ground level, with no need for climbing upstairs or walking downstairs into basements and so forth as in the case when polls are set up in ordinary residences. I think we owe it to the handicapped to provide them with the opportunity to vote without any physical punishment to them. That's the least we can do for them. I know municipalities attempt to find homes, schools and churches on one level so that those who are handicapped, and even those not actually handicapped, don't have the difficulty of climbing up and own stairs. It's a very simple thing to implement and I think we certainly should implement it.

[8:15]

I would also make a recommendation that any time we have an apartment, regardless of whether it is for senior citizens or otherwise, once it surpasses a certain number of units and a certain number of residents, the polling subdivision should be located in that apartment or apartment complex. For example, in my own area, there is an apartment complex put up by Ontario Housing that consists of approximately seven or eight buildings. I would see nothing wrong at all with having seven polling subdivisions, one in each of the buildings. After all, we want to encourage people to vote; we don't want to make it difficult so they figure that, "Well, it's a little too difficult for me to go out. The weather is inclement," and so forth, when we can accommodate them by having them vote right in their own residence. That is especially true when it comes to complexes developed by Ontario Housing.

I also commented concerning the first annual report of the Ontario Advisory Council on the Physically Handicapped. I hope now the report is down that there will be some action taken by the government in relation to that report.

One of the items I also mentioned—and I think I concluded my remarks with it—was on providing safety certificates or markers to people-moving devices. I categorized elevators as a people-moving device. I also made mention of amusement rides in various amusement and exhibition parks. As long as they are carrying passengers and giving them some type of entertainment, the passenger should know when purchasing a ticket that that device is mechanically safe. We would not have had the episode that we did have on Bob-Lo Island in the past year. It involves a very simple application of inspection, where the licence or the inspection safety certificate is posted right at the booth where one purchases the ticket, so that a person purchasing a ticket can readily see the device that he is going to be entertained by is safe and he will not hesitate to enjoy himself.

One of the topics that interested me very much over the past week was the one on the extent of marsh land in the Essex, Essex-Kent and Lambton county areas in

southwestern Ontario. We happen to be in the duck-hunting season at present, and while there are all kinds of marsh land around—

Mr. Haggerty: But no ducks.

Mr. B. Newman: — and all kinds of ducks there is no place really for the average hunter to hunt. It's sort of like starvation amidst plenty. There are probably more waterfowl hunters in southwestern Ontario with less available space for hunting than anywhere in the province. Yet there are an estimated 200,000 acres of marsh land considered to be the home of the best waterfowl habitat on the continent within one hour of most of the hunters. But the majority of the acreage unfortunately is privately owned and off limits to the average hunter. It is privately owned in spite of the fact that there are approximately 200,000 acres.

Sellers of migratory game bird permits in our area say there are approximately 4,000 sold throughout Windsor and environs for this year's hunt alone, and the hunting season closes on December 15. Yet in spite of the fact there are 200,000 acres, most of the acreage is in hands of private individuals and/or companies.

Mr. Bain: Are you against free enterprise?

Mr. B. Newman: The prime waterfowl hunting areas in southwestern Ontario are found along the St. Clair River, Lake St. Clair, Fighting Island, the Detroit River, Rondeau Provincial Park and along the shores of Lake Erie, including Point Pelee and Holiday Beach. As I mentioned earlier, there are estimated to be approximately 200,000 acres. But of all of this vast acreage, extending from where the Thames River empties into Lake St. Clair at a place called Lighthouse Cove, going right around to Rondeau park, there are 21 different parcels of marsh, all privately owned, including 17 owned by American interests. Of the 21, there are only four that are owned by our own people. And, Mr. Speaker, you know what happens when a Canadian wishes to hunt on the limited area that is left.

Mr. Gain: What's the solution?

Mr. Cunningham: Buy it back from the socialists.

Mr. B. Newman: On both the north side of Essex and Lambton and the south side of Essex and Kent counties, we find that our American friends have practically monopolized all of the acreage. They have it all posted: "Keep out." If you have the proper connections, "keep out" means nothing at all, because you can be hunting in the private area. But the average hunter—and, as I mentioned earlier, approximately 4,000 hunting licences are sold in the area—is extremely restricted when it comes to duck hunting. Four out of 21 areas are owned by our own people, and the average hunter is left outside completely.

Here is how some of these areas are located and what they have around them. You will find high fences, sometimes barbed wire fences, surrounding these private marshes.

Mr. Haggerty: That sounds like down in Erie.

Mr. B. Newman: What you develop there is a hunter's paradise for the select few.

Mr. Samis: Is that a new Liberal policy?

Mr. Kerrio: The Tories changed that in 1941.

Mr. B. Newman: It is estimated that there are more ducks in that area than there are in any other part of the province of Ontario.

Mr. Warner: That's because there are no hunters.

Mr. B. Newman: There are probably more hunters but they can't get to the places where the ducks can be shot, simply because the properties are all owned by private interests.

In one of the private areas you will find a plush hunting lodge with a stone fireplace, liquor cabinet, people to help you clean the game—

Mr. Ruston: That sounds like Makarchuk's lodge.

Mr. Deans: Is that the one you attend?

Mr. B. Newman: —guards to patrol the area and to guarantee privacy to the hunter.

Mr. Bain: What's the solution?

Mr. Ruston: Just a minute and you'll hear it.

Mr. B. Newman: All I can say to the last member who spoke is that a hollow log makes the most noise.

Interjections.

Mr. Speaker: The hon. member for Windsor-Walkerville has the floor, please.

Interjections.

Mr. Speaker: Order.

Mr. B. Newman: It is said that they even have their own hunting dogs so that the poor fellow who comes from across the border doesn't even have to retrieve anything.

Mr. Deans: I have my own hunting dog.

Mr. Peterson: Is it grey and curly?

Mr. B. Newman: One of the areas has an off-duty out-of-uniform OPP officer patrolling the marsh to keep out our own residents of the province.

Interjection.

Mr. B. Newman: To control the marsh levels, they have become really sophisticated by having water pumps so that the levels are all controlled. There are private driveways with gates which lock automatically once the individual in a car passes a certain point. This is all to keep the residents of Essex, Kent and Lambton counties away from the area so they cannot hunt at all.

Mr. Deans: Let's take it over.

Mr. B. Newman: I think it is time that the government looked into the marshland situation in the tri-county area to see if it cannot either have some type of a programme to buy them out—

Mr. Warner: Public land ownership.

Mr. B. Newman: —or at least lease or rent the land so that the resident hunter from the tri-counties has the same opportunity to duck hunt—

Mr. Bain: What happens if the owner doesn't want to lease?

Mr. B. Newman: —the select individual who belongs to some exclusive club or corporation across the river from Essex or Lambton counties.

It is something I bring to the attention of the government, hoping that the Ministry of Natural Resources will look into it so that at least we can have some duck-hunting within an hour's drive for the residents of the tri-counties.

To have proper development in a municipality and in a given area, it is quite essential that some of the problems of the area be studied in an attempt to alleviate them. I would suggest to the government and I hope it realizes this, that railway relocation is an area which both the provincial and federal governments have to look at a little more seriously. It is a joint venture on the part of both governments. The province of Ontario designates the areas which require railway relocation; the federal government provides the financial wherewithal.

I think we could have more orderly development in a community; we could have better location of industry; we could have less disruption in the residential areas if studies were initated and, as a result of these studies, railways were relocated in more fit and proper locations with the least disruption to the movement of traffic within a community.

In some communities we need not worry about the problem and build expensive overpasses and/or underpasses instead. That is far too expensive and not the solution to the problem. By relocating the railways coming into and leaving a community we can save the expense of construction of under and overpasses, facilitate the movement of traffic and locate industry better throughout an area.

I would strongly suggest that one of the prime areas in the province which should receive consideration from this government is the Windsor and Essex county area. We are the entrance for the heavy tourist traffic which comes to the province of Ontario. Let's eliminate the bottlenecks and let's have the tourists coming into the province be impressed with the orderliness and ease of movement provided by a given community.

[8:30]

I did have an opportunity, not too long ago, to attend hearings of the Canadian Railway Transport Commission in the city of Windsor. They held hearings simply because Canadian Pacific, in their own wisdom, decided all of a sudden they were going to triple track a railroad track extending approximately two miles in a residential section, without any environmental impact studies, without any consultation with the residents in the area, and without any approval from the municipality.

Simply because they owned the property and the right of way, they completely disregarded the municipality, the public and the residents in the area. They became a power unto themselves and decided they knew better what the city needed. They were not triple tracking for the benefit of the residents of Windsor, but simply to accommodate traffic that was coming from the United States, passing through my community either on its way into parts of Ontario or through to Niagara Falls and Buffalo and continuing into the United States. CP were doing it for an American railway.

Even though we do have legislation, we have to see to it, in consultation with our federal government, that regardless of whether the agency is a federal agency or not, before they can do anything that is going to disrupt and interfere with the use and the enjoyment of one's property, one's castle, that that federal agency and/or provincial agency or municipal agency should hold environmental impact studies, should go to the people, should explain everything and should get permission to construct anything that can, after being constructed, be to the detriment of the individual in enjoying his property or his castle, so to speak.

I think it was extremely unfair on the part of Canadian Pacific Railway to treat the residents in the area in the fashion they did. Thankfully, the hearings of the Railway Transport Committee ruled against Canadian Pacific, and as a result they were denied the use of two tracks but allowed to carry on on the one track which had been in the area for years and years and to the use of which the residents in the area registered no objection.

How would you like, Mr. Speaker, to be living in a fairly good residential section and have parked next door to you a series of refrigerated cars with gasoline motors running all night, especially in the summer months, polluting the atmosphere with both noise pollution and fumes from the gasoline motors? Yet CPR thought nothing of doing that. I was very pleased that the Canadian Railway Transport Committee did just exactly what they did do—denied them the use.

Mr. Speaker, the arrogance of CPR—and you probably know about it from your own personal experience—is unbelievable.

Mr. Samis: Tell them about it, Jack. The resident expert.

Interjections.

Mr. Deputy Speaker: Order, please.

Mr. B. Newman: Mr. Speaker, will you bring the gentlemen to order?

Mr. Deputy Speaker: Will the members stop derailing the hon. member for Windsor-Walkerville?

Mr. Ruston: He's going to get off the track.

Mr. B. Newman: Mr. Speaker, back in 1966, I raised the question of asbestos in the House, it being cancer-producing.

Mr. Haggerty: One of the first members to raise it.

Mr. B. Newman: In fact, the first time it was ever discussed in the House was on March 7, 1966. The first comment I made in asking a question of the Minister of Health at that time, Hon. Matt Dymond, referred to "press reports that asbestos is a health hazard linked to cancer." Health agencies in both the United States and Canada knew of this a little over 10 years ago, because that was March 7, 1966.

I again raised this same issue in June 15, 1971. We didn't pay attention to it at that time. As a result, we find ourselves today in the most embarrassing position of finding out that asbestos can cause very serious problems and having to impose all kinds of new environmental requirements upon various types of industry.

I make mention of that, because the next thing I want to bring to the attention of the members of the House is the use of high-tension lines and the radiation effects of high voltages.

Mr. Foulds: When did you first raise swine flu?

Mr. B. Newman: We have belittled this. I can recall raising this with the then Minister of Energy—in those days it was the current Treasurer (Mr. McKeough)—

Mr. Deputy Speaker: That is called the corona, I believe.

Mr. B. Newman: I don't know the name of it, Mr. Speaker; you may be absolutely right in what you say. But in raising the thing, it was sort of pooh-poohed at that time. Maybe there is no danger as a result of this, but I was told exactly the same thing when I raised the issue of asbestos, that there was no health hazard with it.

Do we know that there is no health hazard as a result of this? We've heard of the problems in the Soviet Union, where the throwing of some type of an electronic beam affected the officials and employees in the American embassy. Are we not being confronted with a similar problem now by the radiation effects from the high voltages that are carried by our overhead transmission lines?

I am not going to read the comments or press reports about this, Mr. Speaker. I bring this to your attention so that the ministries will take a serious look at this. We don't know whether there are cumulative effects as

a result of this exposure. If there are cumulative effects, we find out five, 10, 15 or 20 years later when it is too late. I certainly hope that someone in the government will look very seriously at this in an attempt to let us know at this time if there isn't a better or safer way of transmitting energy.

We are always looking for new methods of cleaning our waste waters. There is experimentation going on in parts of the United States and primarily in the universities. Southern Illinois University at Carbondale has developed a new water treatment mode; the idea of its use is not new, but the variations they have made make it much better than anything they have had before. They use what is called sonocatalytic ozonation; the process converts organic wastes into carbon dioxide and water and produces no known toxic results, whereas our present method, the use of chlorination of waste water, we know in some instances forms chlorinated hydrocarbons which become hazardous and are cancer-causing.

The laboratory tests in this instance are using a combination of air, ozone and ultrasound. In this way the catalyst that is also used, iron oxide, results in efficient destruction of all viruses and bacteria and organic compounds in waste water. I don't know if such a process would be expensive or not, but you see that this is actually being done, at least on an experimental level, and has proven to be extremely efficient and effective.

Another item I wanted to raise is the new chemicals that are being put into use all the time. This is one that some may be familiar with, it's called TCDD. They don't give it a name, they use four letters of the alphabet: TCD and D. It is such a chemical that one billionth of an individual's weight of that chemical—in other words, if a person weighs 140 pounds, one billionth of 140 pounds of that chemical, such a minuscule dose, will kill one. In one of the cities in the United States—Verona, Missouri—they happen to have a tank with 4,500 gallons of the chemical. They don't know what to do with it. They don't know how to dispose of it. It's there. No one wants to have anything to do with it.

You see, we've reached the stage of sophistication in the chemical manufacturing processes, that we can develop and produce the weirdest types of chemicals without knowing what after-effects the use of that chemical can have. That chemical, they claim, is linked with and is similar to the one that was used in Italy. I can't recall the name of the town, but I think it was Seveso, in Italy where, as a result of the exposure of that chemical in the area, they've had to move all of the people out and no one can come back into the area as yet. They've completely barbed-wire fenced the area and from what I understand that was approximately five or six months ago.

So you can see, Mr. Speaker, that we're fooling around with chemicals today, not realizing what we are doing. There doesn't seem to be any type of agency in any jurisdiction to whom the manufacturer of a chemical is submitted so that it can be tested before it is ever produced in quantity or marketed. We're going to have to have a really close look at the manufacture and the production of all of these new, weird and unusual chemicals.

The Blair commission held hearings in the community—but they held them at the University of Windsor at the time there happened to be a strike going on in the university. That didn't disturb them at all; they still went on with the hearings. I wanted to go and listen to the hearings but I wasn't going to cross any picket line because I knew the employees at the university had a just cause and a just reason for picketing the university at that time and so I absented myself.

[8:45]

I contacted the Blair commission here in Toronto and told them about it.

In my estimation, knowing that there was a picket line around the university and at all entrances, the least they could have done was move the hearings to some other location in town. To me it should have been at the Cleary Auditorium in the community so that those who refused to cross the picket line would still have had the opportunity at least to hear and/or to make presentations to the Blair commission.

Unfortunately, the Blair commission did not look upon it in the same way as I did. They carried on their hearings. The hearings may have been successful, but I am fairly positive they would have been by far more successful had they been heard in a location which was not being picketed at the time as a result of a labour dispute.

Mr. Ruston: They came back last week and had another meeting in Essex.

Mr. B. Newman: I hope that some of the recommendations and suggestions the government has in budget paper E, which was presented to us as a result of the 1976 budget,

are completely discarded. I am really surprised to think that—

Mr. Ruston: The member for London North is looking up. Remember the budget?

Mr. B. Newman: —the government would come along and consider taxing churches, retarded children's schools, and private schools in a community. It wants to tax all these types of institutions and then to tell them, "Go back to the municipality and get a grant in lieu of taxes." The government takes and then hands back rather than leave alone the institution which is providing a good community service. We can imagine how much furore that caused in the community—probably much more so in my community than in the minister's community but only because of numbers. I thought the Blair commission and this government proposing to tax churches, schools and charitable organizations—

Mr. Ruston: Tom Wells.

Mr. Peterson: Golf courses.

Mr. B. Newman: —was completely out of line. I hope the government in its wisdom—

Mr. Yakabuski: This government didn't recommend it. Take that back; don't mislead the House.

Mr. B. Newman: —discards many of its own suggestions and recommendations.

Mr. Yakabuski: That's misleading the House. It was not recommended by this government. What the Blair commission said and what this government does are two different things.

Mr. Ruston: The Treasurer read them over.

Mr. B. Newman: I have a copy of table E here and those are all the proposals of this government. There is no way of getting around that at all. They were all the government's proposals.

Mr. Bain: Anti-church.

Mr. B. Newman: They were all of the things—the government used the Blair commission as a scapegoat.

Mr. Cunningham: You hung old Willis.

Mr. B. Newman: I could talk on mobile housing, the need for more mobile housing and the development of mobile housing not only in the rural areas in the province but even in some of the larger metropolitan areas.

Mr. Peterson: At King and Bay, for example.

Mr. B. Newman: I don't think it's an answer to our housing problem but it is a short-term solution; a short-term partial answer to a problem. We have to look at mobile housing a little more seriously than we have in the past. It's ideal housing for two occasions in an individual's life—when he or she is first married and when he or she retires. It can be used comfortably at those times.

When there is a family, it is not the ideal type of housing, not that there is anything wrong with it but I think the individual would prefer to live in regular accommodation rather than a mobile unit. It is a partial answer yet we completely neglect mobile housing when we attempt to resolve the housing problems in the province.

Mr. Kerrio: You have given the NDP 10 more years of issues.

Mr. B. Newman: There are many other topics I could raise. I really didn't intend to speak as long as I did—

Mr. Ruston: You can go on until January. You started in November.

Mr. B. Newman: —when I hear some heckling from my colleagues to my right, then it only encourages me to keep talking. As I said earlier, I started in the month of November and here it is September—

An hon. member: December.

Mr. B. Newman: December. I thought I went right around. I think I may have spoken long enough.

I hope the suggestions I have made and the topics I have raised in the course of the few minutes at my disposal are looked upon seriously not only by the government but also by our colleagues to our right, because more than likely in a year or two many of them will be saying exactly the same things that have been said by me here today.

Mr. Haggerty: Mr. Speaker, I want to enter the budget debate to discuss some of the problems that are rather important to me and perhaps to a number of citizens across this province.

The introduction of the television cameras into the Ontario Legislature seems to have been a signal for the members to be subjected to frequent replays of policy statements—in particular, the Treasurer's ongoing performance of prophesying Ontario's future. Some of his scripts have been of little

value, reminiscent of the old-movie rerurns on television, such as Gone with the Wind, and we all know how that love story ended.

On November 23 we were subjected to the Treasurer's so-called economic strategy statement. This had been billed in advance as a major financial statement, and was in fact nothing more than a rerun of the Treasurer's budget speeches of 1975 and 1976—a forecast of an improved economy for Ontario citizens, a prophecy made in spite of the fact that the hopes of a bright future for employment have not materialized since the employment situation started on the downswing in 1974 and has continued since.

The Treasurer's economic strategy for the year 1977 is a typical Tory approach, a waiting and baiting game at the expense of the taxpayers of this province. I suppose one could say the Treasurer at least is consistent in his crystal ball predictions of early recovery from Ontario's economic problems and high unemployment. However, we in the Legislature know full well that unemployment is well above the acceptable level. For example, in the town of Fort Erie in the riding of Erie, with a population of 23,000, almost every industry has cut back on production and employment. It's estimated the unemployment figure in this municipality is 22 per cent. Ontario's unemployment is at an all-time high which no doubt will run close to eight per cent.

This doesn't seem to be in accordance with the Treasurer's forecast in the budget speech last April 14 that there would be something like 116,000 new jobs this year. "The Ontario 1976 budget is a responsible document," he said, "which will make a forceful contribution to the national economic stability." One might say it's been stable ever since; there hasn't been any increase in jobs.

The Treasurer's statement appears to have little prospect of success. Let's consider his announcement that he will extend the existing exemption from the seven per cent retail tax for production machinery and equipment, which would have been discontinued at the end of the year under present legislation. Apparently the Treasurer believes that extending this privilege of sales tax exemption is a good way to stimulate investment in Ontario and create jobs. Yet he knows only too well that in many instances machines will actually reduce employment opportunities, although improved technology will be the key to increased productivity.

Similar policies by the government have led to considerable debate in the Legislature, with many opposition members doubtful about the job-creating merits of tax incentives for industry. In the past, in the budgets for the years 1975 and 1976, the Treasurer has indicated to us that such a programme of tax exemption would play an important part in stimulating Ontario's lagging economy and would speed up growth in industry. Unfortunately, the Treasurer's forecasts have been as accurate as some weather forecasters on television; a probability of overcast with rain, a mixture of sunshine and a high and low temperature ranging from 85 to 55.

Mr. Ruston: And always a shortfall.

Mr. Gaunt: He just can't miss.

Mr. Haggerty: Can't miss. In 1975, the Treasurer's Ontario budget was predicated on such an assumption; in fact, its main thrust was that there would be an upswing in the economic recovery by the end of the year. The province's economy was in trouble and the Treasurer in that year introduced not one but two budgets—one in April and one in July. We were told the government was concerned about excessive inflation and growing unemployment that had continued from the previous year, 1974, and it seemed that a recording of government priorities was necessary.

How well I can remember and how well we can all remember the Treasurer's measures to stimulate the economy: the first-time home buyers grant, the temporary sales tax reduction, the automobile sales tax rebate. Whether these measures stimulated the economy or not is open to argument. They certainly resulted in a loss of provincial revenue to the tune of about half a billion dollars. The Treasurer's own estimate of the increased revenue to result from the increased OHIP premiums is $228 million for this year. Yet if nearly half a billion dollars hadn't been lost to the Treasury because of the election goodies, this OHIP increase could have been postponed for a year and possibly two.

During the election campaign, the Conservative candidates boasted there had not been an OHIP premium increase for at least five years, despite inflation. However, once the election was safely over, the Treasurer wasted no time in increasing the medicare premiums to double or 50 per cent.

To return for a moment to the subject of the retail sales tax. I would just like to re-

mind the House that when the three per cent sales tax was first introduced in 1961 we were given to understand it would only be a temporary measure. That was some 15 years ago—15 years during which the tax has risen from three per cent to seven per cent. If 15 years of sales tax is considered a temporary measure from this government's financial standpoint, then surely a two per cent reduction in the tax for a matter of months can hardly have been worthwhile from a budgetary point of view. Yet the Treasury would expect people to believe that there was no political motive for this tax reduction which ended on December 31 of last year.

In his recent statement, the Treasurer stressed the need to help other industries compete. When is he going to stress the need to help the people of this province contend with the day-to-day difficulties of coping with inflation? Where's the help for the householder whose fuel oil has gone up from 27.5 cents a gallon in 1973 to 34.5 in 1974, to 41.5 in 1975 and 46 cents in the year 1976? Where is the help for the natural-gas user whose price has gone from 50.69 cents in 1973 to 140.5 this year?

What about the people faced with rapidly increasing hydro bills based on a residential rate which increased 10 per cent in 1974, 12.4 per cent in 1975, 22 per cent in 1976 and is expected to go up another 30.3 per cent next year? On the subject of hydro, the Treasurer directed Ontario Hydro to reduce its expansion programme by $1.2 billion, but this was really little more than a moratorium or a deferment on an expansionary programme. The net impact, of course, was that there was a slowdown in Ontario employment opportunities and still the rate structure was not yet within the guidelines of the Anti-Inflation Board.

With respect to oil prices, let's not forget the price of motor gasoline, with the price for regular gas going from 58.9 cents a gallon in 1973 to 83.9 cents this year. Car insurance rates have gone up something like 65 per cent since 1975. What help has the Treasurer given to the people hit by these inflationary expenses?

Let's not forget the Treasurer's proud finale in 1975 of the reinstatement of the higher rate of provincial sales tax at seven per cent from five per cent. That was something that was not discussed during the election campaign.

[9:00]

On November 23, 1976, the Treasurer took about an hour to announce just one tax change. Despite the fact that most Ontario industries are lagging behind in a competitive market, he talked vaguely about the increasing job opportunities. On the other hand, the new president of the United States, Jimmy Carter, is considering tax cuts to create more employment opportunities. Why couldn't the Treasurer take the opportunity of his economic strategy statement to announce measures to encourage investment in the housing market to facilitate the purchase of new homes and older homes, to put capital into the housing marketplace?

The solution of Ontario's housing problems is probably one of this government's greatest areas of failure. No attempt has been made to live up to the commitment to provide suitable and affordable housing for most of our citizens.

In 1974 the Ministry of Housing underspent its budget by $49 million. In 1975 the housing budget was underspent by $103 million for the two-year period. Remember the Throne Speech in 1972 when the government pledged further means by which housing construction could be encouraged? Yet to this date the government continues to underspend its allotment of both federal and provincial funds.

In the last 14 years house prices in this province have tripled. Comparatively cheap mortgage money under the federal Assisted Home Ownership programme is only available to people whose monthly payments are not more than 25 per cent of their total income, which means that the increased house prices have caused less than 30 per cent of Ontario families to be eligible for these advantageous mortgage arrangements.

According to recent information, the prices for basic three-bedroom homes on a lot in the Toronto, Hamilton and St. Catharines areas are approximately $69,000 in Mississauga, $55,000 in Hamilton and $48,000 in St. Catharines.

To take the Mississauga home, for example, we assume that at a 20 per cent down payment, the remaining mortgage would be $55,000 at an interest rate of 12 per cent. Always supposing that the average couple could find 20 per cent downpayment, think of the burden of $550 or so a month for principal and interest over a period of 25 years and in some cases, 50 years.

What hope has the average young couple in the Metro area of ever meeting this kind of financial commitment? Dr. Frank Clayton, president of a research company specializing in housing studies, maintains that the rapid rise in the cost of homes is caused by exces-

sive demand and insufficient serviced building lots.

What has the government done to make more reasonably priced serviced building lots available? Provincial housing initiatives have been so inadequate that the projected housing starts for 1976 and 1977 are well below housing needs. The present Housing minister has repeatedly indicated that he's not in the numbers game and will not state housing production targets. Well, taking into consideration past government mistakes and inaccurate projected goals I can well understand his wish not to stick his neck out. But his attitude offers no crumb of comfort to the people of Ontario who in recent years have seen the possibility of home ownership become an impossible dream.

During the last election campaign the Premier got into the act when he promised help with mortgage rates—a yearly allowance of up to $500 to reduce interest charges on residential mortgages over 10¼ per cent. He was hardly off the campaign trail before he abandoned the idea, if he had ever really seriously entertained it. The average home buyer is still faced with enormous initial capital outlay followed by years of slavery to crippling monthly mortgage payments.

As if the situation wasn't bad enough, the government has placed municipalities in a position where they are literally forced to substantially increase property taxes.

In the circumstances and in view of the fact that the government obviously has no really serious plans to improve the housing situation, I think it was unforgivable for the Treasurer to encourage people who could ill afford to do so to purchase homes to be eligible for the home buyers grant. Surely, if any government is really interested in providing affordable housing for the average wage earner in the $10,000 a year bracket, it would remove taxes which affect the construction industry and do something about reducing interest rates on mortgages or provide a significant income tax credit which could have the same effect.

If the provincial government can provide lower interest rates to general industry and to the tourist industry through the Ontario Development Corporation at an average of seven per cent or even interest free, something could be done to help prospective home buyers.

The Treasurer stressed private sector expansion in the 1977 economic strategy unveiled in the past week. He combines investment incentives with tough government spending restraints to provide a healthy climate for private sector expansion. The Treasurer is recycling his policy and his concerns for a self-contained budget prediction to date are negative. His stimulation policy in particular as it relates to long-term exemption from retail sales tax for production equipment has not been a creative tool to reduce Ontario's high unempolyment rate.

Unemployment is critical in Ontario and throughout Canada and both levels of government, federal and provincial, prolong this agony of economic recession. To sit tight and hope that there will be an upswing in the economy in the United States is wishful thinking. The provincial Treasurer has for two long years depended upon the American economy to bail him out of this continuing government employment crisis.

Our financial critic last April 14 perhaps put it in one paragraph better than I can, in relation to the Treasurer's provincial budget.

Mr. Ruston: Listen to this.

Mr. Haggerty: "His self-assurance, the slick presentation of the so-called facts, the smug satisfaction at the reduction of the deficit, the proud statement that no public borrowing would be required, all were quite impressive. As a theatrical performance it was well done, indeed. Unfortunately for the people of this province the Treasurer is a much better actor than he is a producer." I wonder if the member agrees with that now?

In his contribution to the Throne Speech debate, the Premier spoke—

Mr. B. Newman: You don't see him on the front row.

Mr. Haggerty: Perhaps he's embarrassed—of the fundamental public responsibility we all share in this House to serve the economic well-being of future generations of Ontarians. This House may share the responsibility but the Premier and his colleagues seem to go out of their way to ensure that we are unable to do anything about it. While he is formulating fine phrases about the welfare of future generations, he might perhaps spare a thought for the present-day difficulties of Ontario's people who are, on the one hand, faced with rapidly increasing expenses and, on the other hand, prevented from receiving catch-up pay increases by the provisions of the anti-inflation guidelines.

I remember in 1969 the former Treasurer, Charles MacNaughton, stated that this province faced a fiscal nightmare. It might be interesting to hear his views, his honest

views, on the situation today. In those days, we tended to think the term fiscal nightmare referred to the complexity of the province's financial situation.

Today, the short-sighted policies of this government have made absolutely sure that every taxpayer in the province knows exactly what a fiscal nightmare is all about. We may not all be financial wizards but we know all about inflation. We live with it; we struggle with it and we receive very little help from the provincial government in coping with it.

Interjections.

Mr. Ferrier: With that support from my caucus, I'm prepared to talk all night.

Mr. Peterson: Don't feel you have to.

Mr. Ferrier: Mr. Speaker, it's a pleasure to join this debate even though it's at a late hour in the parliamentary session. We expect it will be drawing to a close within the not too distant future and all will then direct their attention to the holidays.

Hon. Mr. Meen: Do you think we'll make it by Christmas?

Mr. Ferrier: I might keep going and maybe we'll let you go Christmas Eve.

Mr. Lane: Come on, have a heart.

Mr. Ferrier: I'm like the grinch that stole Christmas; a real cussed individual.

I'm very happy to see the member for Timiskaming in the chair as I begin my remarks. We are very happy to have you make your very significant contribution. I'm sure some of the things I will say tonight are thoughts that you have had; I know you have made representations on some of these subjects. I hope that the efforts of both of us perhaps will move that government over there to realize that northern Ontario is still part of this province and that some attention should be paid to a very significant problem that exists up there.

I would like to begin my remarks by saying that I certainly support my leader on the stand that he has taken on the Reed Paper issue. The company proposes to get limits of 19,000 square miles, considerably larger than any other limit ceded to any other company in this province. Furthermore, it's supposedly to supply one mill, whereas the next largest company with limits supplies several mills.

The ecosystem is certainly very fragile there, and one of the things that concerns me particularly is the Treaty 9 people who will be displaced if that were ever allowed to go ahead at the present time. I want to assure the people of Treaty 9, a number of whose head office people are in my riding, that I certainly am not in favour of the Reed development at this present time.

Mr. Haggerty: You are not sure now, Bill?

Mr. Ferrier: I'm not in favour of it at all, to tell you the truth.

Mr. Haggerty: The member for Lake Nipigon is.

Mr. Ferrier: I don't know whether the member for Lake Nipigon is or isn't. That's up to him.

Interjections.

Mr. Ferrier. This party realizes that there is a major problem there, and this party is pretty disturbed, as I think the people of Ontario are, particularly those in northern Ontario—

Mr. Reid: You are right; that party is very disturbed.

Mr. Ferrier: —at the lack of forest management in the province of Ontario over the last number of years. Year after year, as studies have been tabled and reports have been made. It was dramatically brought home to the members of this Legislature who went up to Thunder Bay in late August to meet with the Ontario Professional Foresters Association, that this province is in a very desperate state as far as our forest management and our future wood supply are concerned. Even as things now stand, a third of our forests are cut over each year and not being regenerated. They say they are doing about a third by mechanical regeneration and perhaps a third may be done by natural means but, year after year, at least a third is just being left there and is not being properly managed or nothing much is being done with it.

In northeastern Ontario our limits are pretty well all let out to various companies, and there are really no further supplies of wood available. If the government continues this mismanagement programme of our forests, the impact will be felt by the diverse industry base that we have in a place like Timmins, where the mines depend on some forest products operations such as waferboard from Malette's mill and E. B. Eddy to provide some alternatives and some other jobs. Those jobs won't be there a few years down the line. The prospects of our young

people, whom we hope to keep in the north by providing jobs and to build up the economy of the north, are being jeopardized by this lack of commitment by this government to an adequate and far-sighted forest management policy.

[9:15]

I think all of us pretty much resent the way our forests have been put in jeopardy by the past action of this government across the way. We would like to see some indication that this mismanagement is going to stop and that someplace along the line our future is going to be protected.

I suspect it is not going to be protected by that government over there. They have had reports telling them what to do since 1948 and the situation is the same today as it was then, only it's worse as far as our forests are concerned.

They talk about jobs in that area of northwestern Ontario. Certainly we are concerned about jobs, very much concerned. But I am going to make a proposal here tonight that I think will go a long way to providing some of those jobs, particularly in the Red Lake area. I would like to see Reeve Goodwillie be a good deal more aggressive in the field that I am going to make some comments about tonight and which would help his area a great deal. Until this point, I don't know that the people of that part of the province of Ontario have been very much involved.

I'm talking about the needs of the gold-mining communities of this province. I know the mayor of our city, Leo Del Villano, has certainly taken a very aggressive stand and has got a committee together representing the gold-mining communities of this country. They have gone to various communities to speak with the leaders; they have met with the people involved in the mining industry; they have met with people involved in the trade unions representing those miners; they have talked to financial people, and they have made representations to the federal government and to this government here. I happened to sit in on the representations that were made to the hon. Minister of Natural Resources (Mr. Bernier) by the gold study committee. They made a number of recommendations to this government.

The crisis of the drop in the price of gold has been brought about by the International Monetary Fund every six weeks selling a large part of its gold. That has had a real deflating effect as far as the price is concerned. This was a policy agreed to by the federal government, but the policy in its impact had its greatest and detrimental impact on the gold-mining communities of this province and of this country. It seems most unfair that those gold-mining communities, those miners, and those gold mines are the ones that have to bear all the brunt of that federal-government policy thrust.

Our provincial governments argue that they should have a say and full control, I suppose, over our natural resources. So when an industry is in jeopardy by a government policy, I think a provincial government has something more to do than just sit back on its hands and wait for something miraculously to develop. It may develop; it may not develop. I think we in this province and in this country must decide whether we want the gold-mining industry to continue in this country and develop a long-term policy to that effect.

I would like to remind you, Mr. Speaker, and the members of this House, that South Africa has a gold-industry policy, as does the USSR—the first and second largest producers with Canada coming in third. Why should we not develop a long-term policy? I know that the Ministry of Natural Resources has been reviewing the South African tax credit scheme to determine its possible application in Ontario. The Ontario gold-mining industry presented for discussion a proposal for loans for exploration and development as a means of sustaining the industry over the next four and a half years. The Mining Association of Canada has submitted a formal brief which recommends loans for exploration and development.

There are some who say that the gold-mining industry has had its day, and that we should let the industry die—that there's no demand for gold. Well, The Emergency Gold Mining Assistance Act, the programme that was carried out at the federal government level, was to assist gold mines and communities to phase out their operations. In fact it had some success in seeing that the producers were able to phase out. The producers have gone down very dramatically. But at current prices supply-demand analysis indicates that new production will be inadequate to meet commodity demand for gold without sales from government stock. So in the long term government stocks of gold will be required to meet growing demands. If there is any trouble in South Africa—and it appears that there might very well be periods of political instability there—there will be a greater demand than ever for Canadian gold. It seems reasonable that we should come up with some kind of policy to sustain our present gold mines.

Ontario has, according to the people who have studied this subject, the potential for becoming one of the world's lowest cost producers and for achieving substantial growth at forecast free market prices. It is interesting to note that there has been very little incentive for any gold exploration in the last 35 years. But this is not to say that there is not a good deal of gold available in some of the areas that have been the gold-mining camps of this province. In fact I am told that there are known ore bodies within the Timmins area and other areas where, if the government would declare some kind of a policy and give some indication that it wants the gold mining industry to continue, some of these properties could be developed.

You see, since the turn of last year there has been a dramatic loss of jobs in the gold-mining industry in my own community. There were 1,500 to 1,600 people employed in the Pamour operation at the first of last year and by the end of this year it will be down in the 700 to 800 range. The Dome mine has laid off about 167 workers. Sometimes we hear in this House members jumping up and raising a tremendous fuss about 35, or 40, or 50 jobs lost by a plant closing some place down here in southern Ontario—there's terrific concern. But there hasn't been a ripple, it seems, over 900 jobs that are lost in a community in northern Ontario. It just shows that this government down here and the people down here don't seem to care two hoots about the economy of northern Ontario.

We have large unemployment all across this province and this country and we want to create jobs. There are jobs here that can be created almost overnight if the government was prepared to work out, in consultation with the federal government, a long-range policy for the gold mines. I'm sure that in four or five years things will have improved a good deal, the mines will be much more viable and the jobs will be there.

If we are going to have those jobs in four and a half years' time, something is going to have to be done in the interval because there are not very many gold-producing operations left in this province. For this industry to be sustained it means that these mines, the operations they have and the mills they are operating, will have to be utilized in some continuous form. Once a gold mine is closed down, it doesn't reopen. It is gone, it seems, for good.

What we do in the next little while is going to be critical as far as the gold situation is concerned in this province of Ontario and in this country. We do have a very skilled work force in the gold mines now.

I know some people will say they can go and work in some of the other operations. There's Texasgulf, or maybe they could go to Sudbury to work at Inco or Falconbridge. Some of them are going to Elliot Lake but one is not too enthusiastic at seeing them go there.

The reason many of these workers do not feel like moving around to these other areas is they have worked a long number of years in the gold mines. They have been there maybe for 15 or 25 years and they can't or won't be hired by Texasgulf or Inco or some of the mining companies because they are too much of a health risk. Perhaps they have had an injury or there's the possibility of some lung condition developing. They are tied to the industry we have.

I say we have to take a pretty careful look at this whole situation and decide if we want to do something about this unemployment. Do we want to sustain this industry, provide these jobs for these workers and provide the benefits for those gold-mining communities? Or are we going to say, "You people take it on the nose. We don't care"?

The Porcupine camp has just two gold mines in operation now but the Pamour mine is trucking ore from perhaps 70 miles away. They are trucking it and milling it now at an economic rate. They are making a little bit of money on some of this. When they started it was costing them $195 to produce one ounce. Now they are doing it for about $115 but it has taken a good deal of planning and careful work to get it to this stage.

"Compared to Porcupine the Red Lake gold camp is a relatively new area with indications of even greater potential. There are literally thousands of square miles of exceptionally favourable gold environment which would fall within existing or possible area programmes in current and former gold camps." That's a statement by Malcolm Slack of the Pamour Porcupine mines which he made to Rendall Dick, the deputy Treasurer of this province and Dr. Reynolds, I believe, the deputy Minister of Natural Resources.

There's the potential in Red Lake to provide many jobs if this government and the federal government would make a commit-

ment to the long-term operation of the gold mine. Until governments and industries develop comprehensive policies, strategies and rational programmes to deal with this new era of uncertainty, it would be improvident to abandon existing operations which have little likelihood of being replaced.

The situation is pretty critical, I suggest to you, Mr. Speaker, and we do need some attention, some real concern by this provincial government and by the federal government—

[9:30]

Mr. Lane: Put the blame where it belongs.

Mr. Ferrier: The blame is two-fold. It may be primarily at Ottawa, but are we just going to say about a resource which we claim to have sovereignty over that we'll let Ottawa do it? We've got to get in there, I suggest, and fight for our rights.

After all, the Minister of Natural Resources did take a stand on this issue at the mines ministers' conference in St. John's, Newfoundland, and called on the federal government, since it created the problem, to take some action. He gave a commitment to the gold study committee that as soon as the Quebec government was sworn in he would try to contact his counterpart there and see whether they could go to Ottawa together and make representation.

I don't know that there has been recent representation to Ottawa from this government, either in conjunction with Quebec or on its own, to try to exert some influence on our behalf. I think if this government has any concern at all for northeastern Ontario—the area that I and my colleague from Timiskaming represent and in which we want to see some growth and development and more diversity within its communities—I think the minister has to be aggressive on behalf of the province to try to force the issue with the federal government.

As I say, I would like to see the reeve of Red Lake be a little more aggressive and outspoken on behalf of the gold-mining communities of this province as well We've got to do something to provide jobs for our people The government makes a big hullabaloo about 35 or 50 jobs down here, but it's not saying anything or doing very much about 900 jobs in northern Ontario. I think the people of northern Ontario have got the message and they keep getting it very dramatically from this government. I'm glad to see there's some support from over there too.

Mr. Lane: Why don't you support a ministry for northern Ontario?

Mr. Ferrier: I don't think we need a new ministry for northern Ontario, we need a new government for northern Ontario.

Mr. Reid: A Liberal government.

Mr. Ferrier: One of the suggestions I would like to make is that I think the member is trying to create a job for himself, that's why he is so vociferous for a northern Ontario ministry. I think he'd like to have "the Honourable" before his name and go parading up to the communities and to the associations when they meet up there.

Mr. Lane: I don't want any suggestions.

Mr. Acting Speaker: The member for Cochrane South has the floor. If the member for Algoma-Manitoulin would like to speak we'll put him on the list.

Mr. Reid: Jack Stokes you ain't.

Mr. Ferrier: Back before the election in September—

Mr. Grande: There is some support for that.

Mr. Ferrier: —the hon. Treasurer came into this House with the first of his mini-budgets. It was in July, I think, and he took the sales tax off cars—I think it was off all cars at that time.

[Interjection.

Mr. Ferrier: One of the things he said was that we had to create jobs in four areas; there was Dryden, I think there was New Liskeard or some place near there, and Timmins. They were going to create office complexes—they've talked about this for a long time—to stimulate the economy of those areas and to provide jobs. They were going to advance the construction schedule of those projects and get them under way and have jobs that winter.

Of course, in the process of the election we got the announcement that things were taking place and the tenders or whatever it was were let. It wasn't long after the election that the Treasurer brought in the Henderson report. I think it should be called the McKeough report because it's got his imprint and his thinking all over it. He brought that in and it was the restraint programme and all of a sudden the unemployment problems in those communities didn't seem to matter and they cut back and those projects were shelved. Now that there is very great unemployment in the city of Timmins because of these gold-mining jobs that have been lost, I

suggest that sound economics would say that the government had better take that project up again and do something about it. Let's go on with building that provincial office complex up there in the city of Timmins.

I had an opportunity yesterday to deal pretty well with the health matters that I wanted to deal with, although there was one subject that I did want to make a few comments on. That was the study into health services for the francophones of this province called "No Problem." The member for Ottawa East (Mr. Roy) has indicated a very alarming set of circumstances as far as health services for francophones are concerned. One could really go after the government, except that the Minister of Health (Mr. F. S. Miller) is the one who commissioned this report and gave solid support for the committee during its investigations and hearings. So one would say at least maybe—maybe—the Minister of Health is concerned enough to try to do something about this very upsetting situation that has developed, and has become a real injustice as far as I can see from reading that report.

I don't think this government has had a significant commitment to any kind of bilingualism; any kind of commitment they have has been mere tokenism. We see that all through the report. I would like to just point out in one area in psychiatric services where it is shown how great the injustice has been and it has gone on and gone on.

On page 15 of that report it says:

"In professional services a similar phenomenon is demonstrated in regards to communication with Mexican-Americans. Dr. Edmundo J. Rutz, MD, discusses 'The influence of bilingualism in group communication' in the October, 1975, issue of the International Journal of Group Psychiatry. 'Often, unconscious material comes out more easily in the original language,' he points out. 'In the bilinguals, it seems as though the reactions in English, and the reactions in Spanish were from two different persons.'

"Again, in 1947, Dr. R. B. Egerton, MD, and Dr. M. Karno, MD, reported the results of a similar study undertaken with 444 patients who could express themselves in English but with whom communication was much easier and much more personal in the Spanish language.

"Dr. G. C. Barker, MD, had obtained in 1947 similar results from experiments with Mexican-Americans who had studied in English language schools. Dr. H. J. Lurie describes bilingual communication with Mexican-Americans in the October, 1972, issue of the American Journal of Orthopsychiatry.

"Dr. Ruiz is convinced that 'feeling and thought processes are nurtured in the first communication system and the latter is the basis in the development of the personality'—a person thinks, figures and even dreams in his mother tongue."

And then another little quote:

"In the American Journal of Psychiatry, Dr. J. C. Castillio, MD, described several cases in which patients showed psychotic symptoms in interviews conducted in their language but not in interviews conducted in their secondary language, because the patient who has to commuicate in another language produces unconscious vigilance over his emotions."

It's very obvious from those comments that the whole psychiatric treatment programme has been somewhat in jeopardy because of a lack of commitment to bilingual treatment facilities within the hospitals.

It was most alarming to read about the situation at Brockville, where there was a significant number of French-speaking patients and yet there was no psychiatrist who spoke French and very few who made any attempt to communicate with the patients in French. The statement was made that for a francophone to enter the Ontario Hospital system was like taking an immersion course in English. That's a terrible indictment, when we're supposed to be showing good faith to our minority group and providing some leadership in this country. We're far behind Quebec in that. Is it any wonder we're into the constitional crisis and the situation in Quebec when we carry on like that?

Children from francophone communities or francophone homes who are deaf or blind or who have some perceptual handicap like that, even if their homes are unilingually French, have to come down to Belleville, Milton, London or one of the schools down here and take all their education in English. Sometimes it's said in their reports that those students who have been immersed in English have real difficulties in communicating when they try to go home, and in some instances they have to go to foster homes. That's pretty bad, I suggest. I know they have an arrangement with the school for the deaf in Montreal for some of those students; there are two or three from my riding who are there. But it seems to me we shouldn't have to go outside our own province when there are well over half a million francophones here. We could gear

up some kind of a facility for them either in Ottawa or Sudbury or some place in the north.

To communicate with doctors has been another problem. There are very few francophone doctors. I know when I talk to my physician, I like to have some confidentiality and discuss things on a pretty private basis. If I was talking to a doctor in another language, I'd be pretty worried if I had to have somebody come in to translate for me. In the hospitals they say they sometimes have someone from the kitchen staff or the maintenance staff translate for a patient. That's not right. That's bad.

I think the minister recognizes that is a problem, and he may have enough goodwill to try to do something about it. But he's going to have to have the co-operation of the full cabinet to carry out a long-range and a short-range plan. One hopes that he will get this kind of co-operation, and that the Treasurer will not impose his heavy-handed restraint programme on this very important sector but that money will be available to begin to move rather quickly into these areas where we now know the damage is being done in a significant way. Let's try to correct it. Let's put our own house in order here before we start telling Quebec what they should not or ought to do. I don't know that we should ever tell somebody else what they should not do but there are some people who will make some gratuitous comments in that regard.

[9:45]

I am concerned about the chronic-care situation in my area. We've talked about this for ever and a day. We were in a position to provide some improvement at the Timmins home for the aged. The tender call for the project had gone out and the tenders came back but they were away over the limits that had been set so they were to retender on it. The next thing we knew we had the Minister of Community and Social Services (Mr. Taylor) on one of his trips up to the northeast and he said there's no capital money available for this year. So there the situation rests as far as the senior citizen home in Timmins is concerned.

At Iroquois Falls it was the same thing. Homes for the aged have become almost chronic-care homes; almost everybody is in a bed situation and there are not very many who are mobile. The homes have changed from what they were originally supposed to be, a residence for those who were able to move around and look after themselves to a significant degree.

Mr. Acting Speaker: Would the member for Don Mills (Mr. Timbrell) and his confreres keep it down, please?

Mr. Ferrier: I thank you, Mr. Speaker, for intervening and—

Interjections.

Mr. Ferrier: —keeping some attention from the unruly members on the other side of the House.

Hon. Mr. Timbrell: Is there a qourum?

Mr. Ferrier: In Iroquois Falls we need more spaces for chronic care, to look after the people there. But the restraint programme's there and the government is not doing anything.

Mr. Spence: That is not what you said on the drainage committee.

Mr. Ferrier: It's the old people who are being hurt. What's going to happen this year?

I'm glad to see my hon. friend from Kent-Elgin is behind me 100 per cent. The drainage committee did a good job but I'm afraid that had there been a restraint programme when it was in operation, it would have done a lot less draining than it actually did.

To say another word for Cochrane South's homes for the aged. We do need chronic-care facilities. They have the regional centre for the mentally retarded which used to be the Northeastern Regional Mental Health Centre. There is a considerable number of beds there which could be used to set up an adequate chronic-care wing so that people could be looked after in their own community. They might even have some rehabilitation facilities there, too.

We've got to look at the needs of our province. We can't go on with a restraint programme for ever and a day and let the old people suffer unduly and I hope that he loosens the purse strings.

Another area in which he should be showing more humanity, more concern and more justice is in the whole field of pensions under The Family Benefits Act and general welfare assistance. I read in the paper last night that maybe he's going to make some recommendations to his cabinet colleagues. It's about time he did. It's been well over 16 months they've had to stay on the same level.

It was raised before the election and one could say that since there's talk of a spring election, I guess he's going to try to pull his old ploy again. It seems to be the only time

he considers those people who are really in need and justice doesn't seem to have the upper hand.

There is another area. The government can argue it all the ways it likes—we argued it with the member for Cochrane North when he was the minister—but it will never justify that unjust difference between unemployable and disabled. The government can't justify that.

Mr. Cassidy: That's right.

Mr. Ferrier: All the fancy footwork and mental gymnastics that it tries to do will never remove that injustice. These are people in need who are being kicked around. It's tough enough when you're sick and unemployable and not able to make your way for your family or for yourself, but then to have that kind of injustice foisted on you on top of it should be condemned in the strongest way possible.

Mr. Deans: Aren't you ashamed?

Mr. Ferrier: We've argued that for years and there is no movement across there.

Mr. Cassidy: It's a shame James Taylor isn't here to hear that.

Mr. Ferrier: We parade down there to that prayer breakfast in May and we take such a sanctimonious stand at times but we let people in this province be treated in that way. I suggest there's a pretty far distance between what we profess with our lips and what we actually do about it when we can't look after people like that.

I want to make a few comments about another area that affects my city and a number of my constituents, and it is some of the older gold miners who have worked in the mines all their lives and who now have developed serious lung problems. The situation with them is that the silicosis that they have is in the developing stage; it hasn't got to the stage where it shows on x-rays. So they might begin to say, "Well, you've got maybe a little bit of silicosis but really not enough to provide attention," or they will say it's something else. The person never really gets compensation but he is short of breath, he loses weight, he can't sleep, he coughs, he can't climb stairs very well, and he can only walk a block and then he has to stop.

Those people have serious lung problems, and they've never really got a breakthrough with the Workmen's Compensation Board. But there are a few things that we now know, and I think that by bringing these out into the open we should be able to get some action from this government and from the Compensation Board.

In 1967 and 1972 Dr. Paterson did reports on silicotic miners and an extremely high incidence of tuberculosis was found in the province of Ontario among miners who have had a long exposure to silica. It is clear the overall risk of miners developing tuberculosis is much greater than for non-miners. That's shown by Dr. Paterson's study.

There was a deposition before the Department of Labour, Bureau of Workmen's Compensation, Lansing, Michigan, some time ago, and the pathologist there argued that a man who has been exposed to silica does not have silicosis but does develop tuberculosis. The mere presence of crystalline silica in the presence of tuberculosis organisms encourages the development of silico-tuberculosis. This doctor believes it is not necessary to develop silicosis before developing a high risk for tuberculosis.

I think it's valid and this government should make the particular amendment that if a man has completed five years of consecutive work underground or at least 10 years of interrupted work underground then he is a greater risk for developing active tuberculosis and if he subsequently does so then this tuberculosis should be treated as compensable, as is any tuberculosis defined under the Act with reference to hospital employees.

And this should not only include those who work in the mines but in the foundries and stone cutters, pottery makers and so on.

The other area I suggest should have compensation is the whole area of chronic bronchitis in miners. And I want to offer here just a little bit of a medical opinion of a specialist character:

"As has been pointed out by Higgins et al, it is difficult to asses the role of occupation in etiology of bronchitis in heavy smokers. As this study points out, there is no doubt that miners have excess mortality and morbidity due to bronchitis compared with other workers and indeed, disability due to bronchitis is greater in miners with no pneumoconiosis as is the case with this patient compared with those having grade one pneumoconiosis.

"This study indicates clearly that mortality and morbidity statistics indicate miners to be more prone to chronic bronchitis than

other workers, while at the same time they recorded higher prevalance of respiratory symptoms and lower mean maximum breathing capacities than men who worked only in dust-free occupations. Furthermore, the prevalence of respiratory symptoms was lower and the mean maximum breathing capacity higher in non-smokers than in smokers and ex-smokers. In patients between the ages of 55 and 64 surveyed, the incidence of chronic bronchitis was only 3.4 per cent in non-smokers compared to 22 per cent in heavy smokers such as this subject.

"In another study, Higgins and Oldham showed that the mean indirect maximum breathing capacity in heavy smoking miners was 20 per cent lower than in matched smoking above-ground workers. Other studies from the coal-mining industry have shown similar results, thus Higgins et al showed that the differences in the incidences of bronchitis between miners and non-miners could not be ascribed to differences in smoking habits and thus had to be related to occupational exposure while in a German study Boehme and Leut showed the incidence of bronchitis in miners to be 32.6 per cent, compared to 14.6 per cent in non-miners. On the other hand, Enterline and Lainhart studying coal miners in the United States demonstrated an excess of respiratory symptoms of wheezing and dyspnea, as well as increased frequency of episodes of pneumonia and pleurisy, but were unable to show an increased incidence of chronic bronchitis except in those with pneumoconiosis. In any case, they pointed out that 'the effect was not great.'

"An extensive study by Sluis-Cremer et al from the gold mines of South Africa formed with great care with respect to epidemiological parameters showed in 827 miners an incidence of chronic bronchitis of 39.3 per cent in the 562 that were dust exposed, but only 19.6 per cent in those without dust exposure. They demonstrated a clear excess of chronic bronchitis in the dust-exposed workers and concluded that there was some factor operative in this group increasing the incidence of chronic bronchitis over and above the effect of smoking."

[10:00]

There are five studies that have been done and this is accepted in the scientific community. In fact, since 1970 in South Africa they have made some recognition of chronic bronchitis as being compensable and have paid pensions for it—probably only in the white workers, but at least they have done something that we in Ontario haven't done some six years later. Justice again must be done to these people. These studies are in the medical community and people at the Workmen's Compensation Board know about them.

Mr. Bain: They ignore them.

Mr. Ferrier: Why doesn't the Workmen's Compensation Board at least pay attention to the research that has been done and has shown conclusively that the miner who has worked in the mine is much more susceptible to chronic bronchitis than those who have not? And why is the miner not compensated for it when he develops that condition?

There is some dispute, I gather, over the question of emphysema, as to whether the dust is a significant factor in it developing or not. I don't think the medical community has come to any conclusion. Rather than dragging our heels and following jurisdictions, it's time that we tried to do justice to those people who have made a significant contribution to our economy by working hard and who have suffered the ill effects of it. I hope that the minister will do something about these gold miners with chronic lung conditions and rectify a wrong that's gone on far too long.

Hon. B. Stephenson: The member for Timiskaming wouldn't know emphysema if he saw it. The member for Cochrane South would, but his colleague wouldn't.

Mr. Bain: Pardon? He has more compassion for workers than you do, though.

Hon. B. Stephenson: That is absolute—pardon me, Mr. Speaker.

Mr. Deans: He couldn't have any less.

Mr. Ferrier: No, I don't think I could have any less.

I want to mention briefly two other things. ETV in northern Ontario hasn't quite got there yet. That's another area of the province that's well looked after down here as far as cable is concerned. They can get their American channels. They can get a wide selection of TV without even needing cable. But not us in northeastern Ontario and in northern Ontario. I don't think the Minister of Housing has got cable TV in his riding. Oh, he has. Is there ETV there yet? Then he's one of the lucky ones. I know the member for Cochrane North hasn't got ETV there.

Hon. Mr. Brunelle: It is coming.

Mr. Bain: When?

Mr. Ferrier: We'll get it the same time that you get it—and we're still waiting. I've

got cable TV in my home; this morning, my young lad was watching the set and he said, "Dad, it's 43 below out." I wasn't too anxious to go out and walk uptown. Maybe the cable TV would have been better if it hadn't been on.

I suppose ETV will eventually come for those of us who are paying $8 a month and the installation charge for cable TV. But there will be a lot who will not go on cable, and there will be some of the smaller communities that won't have it. I don't know whether they'll have it at Remi Lake, for instance, or whether they'll have it—

Interjection.

Mr. Ferrier: You'll have it in Kapuskasing, but you don't live in Kapuskasing, you see. You may have to do without it.

Only a fraction will have cable anyway, and again I think we're not getting the same kind of treatment that we see people getting down here in southern Ontario. It's always easy to cut back in the north, because we are scattered and there are so few of us in comparison with the number of people down here. If you want to bring the axe down heavily, those people in the north are the ones who can take the blow. They can squeal and yell and shout and protest and do all they like and the southern Ontario establishment in this Legislature just says, "Oh, well, it's the northerners again," and they write us off. It is about time they paid attention to northern Ontario and didn't make big speeches at election time and forget us in between.

Interjections.

Mr. Ferrier: I don't want to destroy my argument here but I was at a mini-caucus about two weeks ago in Barrie.

Hon. Mr. Timbrell: In a phone booth.

Mr Ferrier: There were a lot of people there, and I'll tell the minister, we're going to win that seat the next time around.

Mr. Bain: We might even win Cochrane North if the hon. member doesn't run again.

Mr. Ferrier: The people from Orillia and the people from Barrie came and told us how many senior citizens' houses they had—

Mr. Bain: How about Don Mills?

Mr. Ferrier: —less than a hundred in each place, and when you compare that with what's going on in my riding, already we have got—well, in Timmins—

Interjection.

Mr. Ferrier: We have done better than down here in some of these areas that have had a government member and maybe you haven't paid as much attention—

Mr. Bain: The moral is to have a NDP member.

Mr. Ferrier: Anyway, there is always an exception to every rule and we will grant that maybe there is one in that incident. But I will tell the House that Ed Diebel is still signing up his names. I met him not too long ago but he didn't impress me that his party will gain that many seats in the next election. I don't think he has got his 10,000 names yet. Anyway, we will see.

I got a pretty good note here from my hon. friend from Kent-Elgin who wants me to deal with two or three other subjects, but if the government is showing a lot of restraint, I guess it is kind of contagious and maybe I had better do the same too and call it quits for tonight.

Mr. Deans: Mr. Speaker, I thought perhaps I might not get the opportunity during this session to speak in the budget debate but I am certainly very grateful for the chance during the next 20 minutes to share with the House some thoughts I have about matters that I think if they are not of concern to the government, ought to be. They are not particularly far-reaching, many of them. Some relate directly to the riding that I represent, some to the immediately adjacent area, but I feel it might be important for me to make sure the government is aware of some of the problems.

I want, though, before I deal with matters of policy to take a moment to say something about the Legislature because I have been concerned of late about the Legislature and the way it has operated. I think in fairness that the minority government, the minority Legislature, has produced a higher level of debate and a higher degree of awareness in the members who were elected and in the public than the Legislatures that preceded it. But unfortunately I suspect a great number of people who look in on us from outside don't really understand the workings of a parliament very well and they are taken back at times over the way that we deal with each other and over the way we carry on. I suppose that would be the correct term that might be used in terms of our day-to-day operations.

I think it should be understood, and I think the members probably do understand,

that the Legislature can be and frequently is a very tense place. The government, in its desire to pass legislation which it, in its wisdom, believes to be in the best interests of the people it represents, comes forward with proposals which we, either in the NDP or in the Liberal Party or, from time to time, it may even be both parties, disagree.

That brings about heated debate. That debate need not always occur during second readings or during structured debates such as this but, on occasion, it occurs during the question period. It may well be said by the purists that that's not the appropriate place for this to happen; that the question period should be more subdued and sedate and it should pay more attention to the historical values placed on the Legislature rather than on the events of the day.

Many looking in, press and public alike, get the impression the members of the Legislature are, to say the least, an unruly bunch. I think if I were sitting in the gallery I would probably share those views. I think I probably would feel, as many people have felt and have expressed the feeling, that I don't quite understand why we act the way we do.

I'm not going to apologize for the Legislature because it isn't my role to apologize. I suspect on balance, if one were to look carefully at the work done by the 125 members of the Legislature, singly and collectively, the contribution made by this House and by its membership is significant and will, in history, reflect a fairly dedicated group of individuals attempting to find solutions to very complex problems.

I am concerned about one aspect of the House and I want to share that with the House at the moment. I do so in a somewhat subdued tone because I feel it's rather delicate yet I think it has to be raised. I'm concerned about the historical lack of respect that this Legislature has for the role of the Speaker.

The role of the Speaker is much more important than the Speaker himself. If we continue as we have been doing, to taunt and bait, to ignore and frustrate whoever is sitting in the chair as Speaker of the Legislature, the effectiveness of the House as a whole will continue to deteriorate. I say this knowing full well that like almost every other member, I have contributed to it. I'm not attempting to preach or to claim that somehow or other I haven't been a part of what's gone on.

It frustrates me and aggravates me — in fact, angers me—to hear people and see people point their finger at the incumbent and claim that he perhaps is incapable of handling the job. The job of the Speaker should be a very simple job. The job of the Speaker shouldn't be as taxing and as difficult as we have made it. If the members, individually and collectively, had respect for the role, for the office, then the Speaker wouldn't have to get into arguments and battles and be placed in a position, day after day, of attempting to rule the unruly.

When people tell me that the incumbent Speaker doesn't have the control over the House that he perhaps ought to have, I have to think back to the Speaker who was in the chair in 1967 when I was first elected. The same was said of him, and of the Speaker who followed him, Mr. Speaker Reuter. We almost drove him to his grave. It's something about the way the House operates and is not necessarily a reflection on the individual.

[10:15]

If a person is given the role of Speaker in the Ontario Legislature for some reason or other the members seem to feel that that person then becomes fair game for abuse and criticism without recognition of the fact that that person, like all of us, is a human being elected to do a job and doing it to the best of his or her ability—in this case his ability. If we respected the role and the office, and paid no attention to the person as an individual, and perhaps if the Speaker were to rule with a firmer hand, we would benefit immeasurably in the terms of the way in which this Legislature operates, and in terms of the way the public might view us, both through the writings and showings, if you will—whatever—of the press and also in terms of the people who come to visit with us and to sit in the gallery.

I would appeal to the members—as I have appealed to myself privately—to stop the unnecessary harassment of the Speaker. I would appeal to them to not continue the chatter and harangue to the extent that they do.

That doesn't mean there can't be crossfire. That doesn't mean there can't be interjections. What it means is that when the Speaker says "Order," everybody should stop. I think if we could all exercise that kind of self-control that would enable us to recognize that it would only be in that atmosphere that we could operate efficiently and effectively and if we would recognize that what we do is bring disrespect upon ourselves that we could perhaps then have a much more sensible and a much more respected legislative assembly.

As I say, I appreciate that, like all other members—if not all, certainly most—I've contributed to the demise if you will of the role. I now ask from that position whether collectively we can't find a way to re-establish the role in a more sane and sensible way. I ask that members of all parties, particularly those on the front benches of both sides, who may influence the Speaker more than is fair, should refrain from commenting on his role and that we should try as best we can to allow the Speaker to rule—as we do, incidentally, with the chairman and the deputy Speaker and the chairman of the committee of the whole House.

When the Deputy Speaker and the chairman of the committee of the whole House makes a ruling for reasons that are not entirely clear to me—and this has been historically true again—we have paid more attention to those rulings and to those directions than we have ever paid to the Speaker in similar circumstances speaking from the chair.

I raise this—I realize it may cause some to wonder, but it has been bothering me for some time and I feel it is only appropriate that I should raise it tonight.

I think the Legislature operates not too badly, given that that problem might be overcome. I think the level of debate in general is fairly high and I think that people tend to speak what they believe to be the truth.

I don't think you find many people grandstanding in the Legislature. I don't think you find many people making speeches based on what they know to be misinformation. And I don't think there are many occasions in this House when it could be truthfully said that someone was intentionally misleading the House. But I don't think for a moment that we should in any way believe that people only unintentionally mislead the House.

I think there are occasions when a member, whether he be a minister of the Crown or a member of the opposition, speaking on a topic which he or she may know sufficient about to speak, would make a statement which on balance, after having been checked against all of the details involved, might be found to have been, if not outright misleading, certainly based on misinformation.

If this Legislature is going to operate in a reasonably human way, we've got to understand these things will occur. We've also got to understand that from time to time someone in the House may well challenge the information being put forward and suggest that, based on the information being put forward, the House is being misled.

That doesn't imply for one moment that the speaker is lying or intentionally misleading the House. It simply means that based on the information currently available, the House is being misled; that the information being given is not in keeping with what one other member believes to be the facts. I don't think we need continue to engage in the game of one-upmanship, of trying to imply that people are not telling the truth, because I suspect that in most circumstances, most of the time, members of the House do in fact tell the truth.

In any event, I want to deal with two or three matters that are of particular concern to me, having said what I've said. I want to say with regard to the business of the House that it's been a unique experience having been the House leader for the official opposition, having had the opportunity to deal with the government House leader and the staff of that office, and having had the opportunity to sit down and try to work out acceptable schedules that would allow the business to be conducted in a reasonable way without in any way attempting to muzzle or restrict any of the duly elected members of the Legislature from having their say.

One of the things I might say in passing, Mr. Speaker, given that you, the member for Lake Nipigon, are in the chair at this moment, is that one of the regrets I have about this minority parliament is that we haven't really had the benefit of your participation as you participated in years gone by. I think it's unfortunate not only for the House but it's unfortunate for the public at large that we would require of a person, assuming the heavy role of Deputy Speaker, that he or she feel they have to withdraw from the normal partisan debate that would allow them to express the opinions that really in themselves were the basis for them getting elected in the first place.

I think somehow or other as we review the rules, and we're going to, that we should give some consideration to attempting to find ways to enable the Deputy Speaker and the deputy chairman of the committee of the whole—and the Speaker too, although the Speaker's role is somewhat different—to express opinions that will at least be a reflection of the concerns and views of their constitu-

ents without in any way jeopardizing their impartiality in dealing with legislation and the like when it comes before them and they are required to make rulings.

I am not sure how that can be done; it may be something that can't be done. But I do think we lose and the public of Ontario loses when we don't get the benefit of the wisdom of people who have been appointed to those positions by the Legislature, the reason being in the case of my colleague, the member for Lake Nipigon, and I'm sure it holds true for the others, that he was nominated for this role because we had a great deal of faith in his judgement, and of course the reason he won the seat in the first place was because the electorate had a lot of faith in his judgement. It is unfortunate we're not able to allow him wider latitude in dealing with matters that might be of concern, without jeopardizing the impartiality which he has and which I am sure he would be able to maintain regardless.

In any event, I want to talk about some other matters. I have been very disappointed in the way in which the rent review procedures have operated in the province of Ontario. I don't intend to make a lengthy speech about it because I know my colleague from Ottawa Centre does have some statistical information and other information he wants to place before the House on another day. But I was, I think "amazed" would be the word, when I went before the Rent Review Board for the purposes of expressing the views of a number of tenants who felt they couldn't express their views sufficiently lucidly in order to have the board listen to them.

I was surprised first of all at the way the board operated. I was surprised that there was not a clear set of rules, parliamentary procedure, if one will, which would set out how a case might be presented and what would be admissible or otherwise before the board. It was a hodge-podge.

I walked in; I sat; we carried on a debate across the table. I asked questions. The landlord asked questions. The rent review officer asked questions. The tenants asked questions. There never seemed to be any order to it. At the end I wasn't really sure whether everything that had to be brought out had been brought out.

I don't know if the Minister of Labour is smiling because she believes me or not, but I was—

Hon. B. Stephenson: I saw one.

Mr. Deans: You saw one? Yes. It really was an amazing experience. It was a disturbing experience because I couldn't imagine —I have gone before many boards and tribunals and the Ontario Municipal Board. I've spoken at so many different places. I've always attempted to collect my thoughts, to prepare my case and present it in such a way that I would be able to allow my opponent, whoever it happened to be—the other side, if one will—to rebut it if they could; to refute it if they could; to present their evidence. Then I would have the opportunity for cross-examination.

I was flabbergasted by the lack of order. I didn't know how the board was ever going to reach a decision as a result of the hearings I attended. It wasn't for the lack of effort on our part nor, I am sure, was it lack of effort on the part of the landlord or his representative. It was just a hodge-podge. It was a mess.

We can't go on like that because that in itself destroys the credibility of the rent review procedures. It makes it difficult for tenants. It makes it difficult for landlords and it destroys the credibility of the whole procedure. I really do urge that we should spend some time reviewing the procedures themselves and trying to set out some more clearly understandable terms of reference and what is expected from both sides at hearings of that type.

That doesn't mean that an individual wishing to state an opinion ought not to be given the chance or that they must come in with a lawyer. I think there should be some clear rules of procedure to be followed.

I want to tell you, in the minute left to me before 10:30, of the one thing which amazed me. I had a case in which the person involved went before the board with his landlord because the landlord was asking for a sum of money—for the purposes of this discussion we'll say it was $246 a month. That was an increase from $180 a month.

The board found in favour of the tenant. The landlord had not justified the increase due to a number of factors prior to the increase being implemented and a number of the claims being made were unsubstantiated. It found in favour of the tenant.

The landlord then appealed. The tenant was on vacation and the landlord was granted the entire $246 that he asked for. All the tenant got was a notice saying that as a result of the appeal, the amount granted was $246. There was no justification, no explanation, nothing. Having had it brought to my attention, I then wrote, perhaps wrongly,

to the rent review head office and I said, "I wonder if you'd be kind enough to send to me the justification provided which would show that this was a fair and equitable amount arrived at." I didn't get a reply but the tenant then received—and I received a copy—a new notice. It had been reduced to $210.

I notice that it's 10:30.

On motion by Mr. Deans, the debate was adjourned.

Hon. Mr. Meen: Mr. Speaker, before moving adjournment of the House I would advise members that tomorrow we will resume the budget debate.

On motion by Hon. Mr. Meen, the House adjourned at 10:30 p.m.

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Friday, December 3, 1976

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

FRIDAY, DECEMBER 3, 1976

The House met at 10 a.m.

Prayers.

Mr. Speaker: Statements by the ministry.

Oral questions.

Mr. Breithaupt: There's not much choice.

CLASSIFICATION OF LAND

Mr. Lewis: May I ask the Minister of Agriculture and Food: Is he prepared to table before the Legislature the various classes of land which give the breakdown of the alternative land for agricultural production which he has been saying exists across the province?

Hon. W. Newman: I am not prepared to table it at this time until we have done our total final analysis on it.

Mr. Lewis: By way of supplementary, it is my understanding that the food land branch now has the ascribed value of that land right across the province. In view of the categorical assertions the minister has been making as to its amount, is he saying he will not table this or that he will table it at a given point in time?

Hon. W. Newman: At the appropriate time I am quite prepared to, when I am satisfied we have got all the details to detail it properly in the House.

Mr. MacDonald: Why are you making the statement without the details?

Mr. Ruston: Can I ask the minister when he is considering tabling this, would he consider also assessing the heat units that are available in those districts so that we will then know the production capacity of that land?

Hon. W. Newman: By and large, we have the necessary charts now, showing the heat units right across the province. I assume the member is asking me to break it down by acres per heat unit in the various heat-unit levels. Is that what he is asking?

Mr. Ruston: Yes, the various references and categories of heat units, if possible.

Hon. W. Newman: I would think that could be done.

Mr. Swart: Is the minister aware that the federal government is doing a climatic overlay on the soil classifications, and will that be included in the final report?

Mr. S. Smith: It means heat units in simple terms.

Mr. Mancini: Tell him what heat units are. Explain it to him.

Mr. Sweeney: Get your shovel out.

Hon. W. Newman: I am aware that the feds are doing some work. I do not know what they are doing in detail, as they have not indicated to me exactly what they are doing. As far as the overlay is concerned, we haven't any details from Ottawa.

TIMBER LICENCES

Mr. Lewis: Has the Minister of Natural Resources yet accumulated the information we asked for in his estimates on the various forest licences in Ontario and the breakdown as to the management and operational contracts—the information he said he would be tabling?

Hon. Mr. Bernier: I am not sure about the information that the hon. member requires. I believe he wanted to look at the management and operational plans.

Mr. Lewis: And the extent of reforestation in the individual licensed areas, et cetera.

Hon. Mr. Bernier: I would point out to the hon. member there are some 175 management and operational plans on various companies.

Mr. Renwick: That's what we want to see.

Hon. Mr. Bernier: If the Leader of the Opposition has a specific request—

Mr. Deans: No, we want them all.

Hon. Mr. Bernier: I would have to bring them down in truckloads, really.

Mr. Deans: That's fine.

Mr. Lewis: That's fine. We have worked in the basement of the ministry before.

Hon. Mr. Davis: You have worked in several basements.

Mr. MacDonald: That's where we get the facts you are sitting on.

Hon. Mr. Kerr: Via pipeline.

Mr. Lewis: I would be pleased to know.

By way of supplementary, during the estimates, if I remember, the minister indicated he felt he could bring that material together and make it available to members of the Legislature or to those who ask. Is he saying now that's not possible?

Hon. Mr. Bernier: I am not saying that at all. If memory serves me correctly, I believe I said that I would discuss the magnitude of the question with my senior officials. I have done that. The problem is a large one and there is a massive amount of information. And there is a certain amount of confidential information in those management plans.

Mr. Lewis: Aha!

Hon. Mr. Bernier: If the Leader of the Opposition has a specific request for a specific company, we would be glad to co-operate as fully as possible.

Mr. Deans: How can we tell if we are getting it all?

Mr. MacDonald: It may be useful for you to examine them for your own purposes.

Mr. Speaker: Order, please.

Mr. Renwick: By way of a supplementary question—

Mr. Speaker: I believe the member for Port Arthur was on his feet first.

Mr. Foulds: Supplementary: Is one of the problems the fact that the minister does not have enough unit foresters in the field, so that there are some management units without plans drawn up?

Hon. Mr. Bernier: No, not to my knowledge.

Mr. Lewis: We will make the request.

HALNOR HOUSE

Mr. Lewis: May I ask the Minister of Community and Social Services, is he aware of the Halnor House undertaking in the Delhi area and the wish to receive funding from the ministry for this rehabilitative undertaking, which funding the various groups felt they had received approval for or, if not approval, some indication of support for, and now it is not available? Is the minister going to reverse that decision?

Hon. Mr. Taylor: I am familiar with that particular situation. As the Leader of the Opposition may very well know, it was operated under health grants and was not provided for in my ministry's budget. We had indicated that funding would be available in the 1978-79 fiscal year, but we would assume that alternative funding would be provided in the 1977-78 fiscal year.

Mr. Lewis: By way of supplementary, if I understand the minister's question, is he saying he will facilitate the alternative funding?

Hon. Mr. Taylor: I am saying in brief that I am impressed with the operation—I want to make that clear—as far as my own personal opinion is concerned. I will co-operate in every way possible to assist, whether it's alternative funding or what have you, and I am prepared to continually re-examine the situation. But what I am saying is that I cannot guarantee support financing from my ministry at this time.

FAMILY BENEFITS RATES

Mr. Lewis: A question for the same minister: What success has he had with his cabinet colleagues over increases in the family benefits and general welfare allowances, which haven't been increased in many months?

Hon. Mr. Taylor: As a matter of fact, I think the last increase was in May 1975.

Mr. Lewis: Right.

Hon. Mr. Taylor: May I say it is my firm opinion that there should be an upward adjustment of those payments. Accordingly, I have instructed my staff to prepare a submission on the matter, which I will bring forward through to the policy field and, of course, to Management Board.

Mr. Deans: It will be May 1977 before you can deal with it.

TRAINING SCHOOL DEATH

Mr. Lewis: I was hoping the Minister of Health (Mr. F. S. Miller) or the Provincial

Secretary for Social Development (Mrs. Birch) would be here. May I ask the Premier a question in the absence of other ministers?

Has the Premier had an opportunity to read some of the inquest material and analysis on the Norma Dean inquest? If he has, might it be possible for the government to undertake some kind of inquiry—something akin to the Willard inquiry in Huronia—into some of the practices which Thistletown appears to use in the treatment of adolescents, and maybe also make an effort at some way of co-ordinating the activities among agencies and ministries, the fashion of which emerges as deficient in the inquest?

Hon. Mr. Davis: I have not had an opportunity yet to read the material from the inquest; I will be doing that some time next week, along with reading the reaction of those ministries that have some involvement with respect to that particular case. What will emerge from that, I wouldn't want to predetermine until I have had an opportunity to look at it. I don't know that the word "inquiry" would be the proper terminology to use, but whether some form of study as a result of some of those recommendations would be worthwhile, I don't want to prejudge until I have had an opportunity to study the material myself personally and to discuss it with my colleagues, which I would expect I shall be doing the latter part of next week.

MINING CLAIMS

Mr. S. Smith: Mr. Speaker, a question for the Minister of Natural Resources: Given the fact that once a mining claim is staked, a certain amount of work has to be done on it each year, I believe, why did his ministry allow Hollinger and certain other companies to stake claims in 1975 and 1976 right in the middle of Sudbury's water supply, namely Lake Wanapitei? What was the logic in that, now that they have to go and work on that claim right in the middle of the water supply?

[10:15]

Hon. Mr. Bernier: Mr. Speaker, this is a normal situation where the mining industry does have the right to move into certain areas where it thinks there is mineral potential. The member was quite right in saying there was a claim staked on Lake Wanapitei. Further staking has been stopped as of November 17, 1976.

We have been in discussion with the Hollinger people and they have agreed to postpone any drilling operations on that particular area of Wanapitei Lake until we have satisfactory proof, along with the co-operation of the Ministry of the Environment, that no damage will occur to the water supply of those communities. I have advised them of that.

Mr. S. Smith: By way of supplementary—I thank the minister for his answer: I ask if, by satisfactory proof, he can assure the House that he will be requesting, through his colleague, the Minister of the Environment, an environmental impact assessment before any drilling and work be done? Furthermore, will he be in a legal position to do that without jeopardizing the claim of Hollinger? The rule at the moment is that they are forced to do work even if they don't want to in order to keep up their claim.

Hon. Mr. Bernier: I would advise the hon. member that we're working very closely with the Ministry of the Environment and I can assure him we'll make sure that there is no damage to the water supply to those communities.

Mr. Laughren: Has the minister access or does his ministry have access to the information already accumulated by Hollinger as to the size of the ore body in that immediate vicinity?

Hon. Mr. Bernier: No.

Mr. S. Smith: A final supplementary on this: Perhaps it's just an oversight—the minister mentioned that Hollinger has agreed; have the other companies agreed as well? Can he take some steps to guarantee that in future mining claims won't be handed out right in the middle of major water supplies?

Hon. Mr. Bernier: Yes, Mr. Speaker. Those other people involved—at least, the owner of the claim has shown his desire to co-operate fully. As we move around into other areas, of course, we will make sure no water supply is placed in jeopardy.

SALE OF LAND IN HAMILTON

Mr. S. Smith: A question for the Minister of Housing—good morning, Jack.

Hon. Mr. Rhodes: Good morning.

Mr. S. Smith: Can he explain why it is that government-owned land on Hamilton Mountain, the large acreage there, is being released for sale, bit by bit, in very small quantities

at speculative prices, rather than in large quantities all at once which might help to drive down the price of land in Hamilton?

Mr. Deans: I asked Stanley Randall that in 1968. Give him the same answer. Do you remember me asking that?

Hon. Mr. Davis: I remember it.

Mr. Deans: Tell him the same answer.

Mr. Speaker: The hon. Minister of Housing is answering now, thank you.

Mr. Moffatt: He can hang on his own words now.

Mr. Speaker: Order. The hon. Minister of Housing.

Hon. Mr. Rhodes: Mr. Speaker, the hon. member for Wentworth suggests the question was answered in 1968; perhaps the member would like to read Hansard of that time?

Mr. Nixon: Maybe the minister would.

Hon. Mr. Rhodes: Yes, the minister probably would like to read that.

Mr. MacDonald: I knew you were looking for a cop-out.

Mr. Reid: Compare the answers.

Hon. Mr. Rhodes: Mr. Speaker, I cannot give an answer to the hon. member at this time as to how that land is being sold—

Mr. Reid: The same answer as in 1968.

Hon. Mr. Rhodes: Is that the same one?

Mr. Deans: The answer in 1968 was that you weren't going into competition with private enterprise. That was the answer in 1968.

Mr. Nixon: That's not bad.

Hon. Mr. Rhodes: I won't give the same answer but what I would be prepared to do is to find out for the hon. member exactly what procedures are going on. I will make the information available.

Mr. Peterson: In 1982?

Hon. Mr. Rhodes: No, in 1976, probably before this session rises.

Mr. S. Smith: By way of supplementary, do I take it from the minister's answer that as major a policy as to the way in which the government is handling its large land bank is outside the awareness of the Minister of Housing? In answering that can he also undertake to tell us exactly how much speculative gain has been made so far by this carefully orchestrated way of dripping little bits of land on to the market in order to support the inflated land values already in existence in Hamilton?

Hon. Mr. Rhodes: First of all, with the greatest respect to the hon. member, I am not totally aware as the minister—nor do I suppose he would be if he were—of what may be happening in various land sales being carried on by the Ontario Housing Corporation.

Mr. S. Smith: It is a major policy.

Hon. Mr. Rhodes: Let me say, though, it is interesting to have the hon. member suggest there's a problem as far as land speculation is concerned. We all recognize that, perhaps, has been given some profile as being a problem. By the same token, to put large tracts of land on the market at what he would consider to be lower prices—and I don't disagree with that approach—obviously is going to put land in the hands of persons who may very well end up selling it at what he would then come back and attack me for: speculative prices.

Mr. S. Smith: The minister can stop that. He can force them—

Interjections.

Mr. Sargent: Supplementary: Knowing that he inherited this mess—it wasn't his own doing—would the minister tell me if it is still government policy that he cannot release the minutes—

Mr. S. Smith: He's right, too.

Hon. Mr. Davis: Talking of inherited messes—

Mr. Sargent: Does the Premier want to answer this? He's the one who should.

Hon. Mr. Davis: I am just talking about inherited messes.

Mr. Sargent: Is it government policy that the minutes of the Ontario Housing Corporation cannot be opened to the House? Secondly, do we have to have a resolution of the House to force him to open the minutes of this meeting regarding the Saltfleet development?

Hon. Mr. Rhodes: In response to the question from the masked man, I wanted to say—

Interjections.

Hon. Mr. Rhodes: The member knows there have been tabled in this House, I believe on two occasions, the very documents he asked for concerning the sale of land and the purchase of land by Ontario Housing over the past number of years. If the hon. member is referring to the notice of motion already on the order paper I think he is well aware, from discussions we have had in estimates with him and the member for Wilson Heights (Mr. Singer), that we are attempting to find out what the legal position is on tabling the minutes of Ontario Housing Corporation.

I am quite satisfied that these minutes can be tabled if we can be assured legally we are not placing anyone's rights in jeopardy due to the fact that third parties are involved in the minutes. We have to clarify that with the legal people to determine what position we would be in, what position the members of the Ontario Housing Corporation board would be in, and what are the rights of the individuals whose names are mentioned in those minutes.

Mr. Speaker: Order, please. That question has really nothing to do with the original question which had to do with—order, please. The original question had to do with land transactions—

Mr. Sargent: Why are you protecting this man?

Mr. Speaker: Order, please. I'm not protecting anyone. Will the hon. member take his seat, please. I was just pointing out that in a spirit of generosity I had allowed that supplementary question although it was not supplementary to the original question which had to do, I say again, with land transactions in Hamilton. The member for Hamilton West.

Mr. S. Smith: Thank you very much, Mr. Speaker, your generosity is appreciated. To finish that particular line, have I the assurance of the Minister of Housing that we will be provided with a record of what speculative profit the government has realized from the sale of land so far on Hamilton Mountain?

Hon. Mr. Rhodes: I certainly will bring the necessary information. The hon. member can then determine for himself whether it is to be considered speculative or not.

I do hope the columnist for the Toronto Star has not started a lot of this by suggesting that my ministry was low profile. It's causing me some problems this morning.

Mr. S. Smith: That is a great profile. That's a Barrymore profile.

MERCURY IN LAKES

Mr. S. Smith: A question for the Minister of Industry and Tourism. Can he amplify the comments he made on the radio this morning when he said there were several lakes and rivers in Ontario with higher mercury levels than the English-Wabigoon river system? Could he give us a list of these particular lakes and rivers? Could he tell us whether the mercury in each of those instances is from industrial or natural sources as best as it can be determined?

Hon. Mr. Bennett: If the leader of the third party had continued to listen to my statement, I said the information was with the Ministry of Natural Resources and the Ministry of the Environment. I was making a very general comment on the fact that it related to bad publicity for Ontario.

Mr. Foulds: Muddled, too.

Mr. Nixon: Were you out for breakfast again?

Mr. Deans: Are you like this after breakfast every morning?

Mr. S. Smith: All right; take it easy. I'll redirect to the Minister of Natural Resources and remind him that on November 1, I asked if he would table a list of the lakes in Ontario which have unacceptable levels of industrial pollutants. Would he undertake again to table that list? Could he comment on the statement made by his fellow minister that there are several lakes and rivers in Ontario with higher mercury levels than the English and Wabigoon river systems? Would he please tell us what they are and whether they are industrial or natural?

Hon. Mr. Bernier: The hon. member is quite right; he did ask me for that information. My staff have been working on that information for the past several weeks now. I just want to point out to the hon. member that it is an effort of some magnitude, because we have well over 600 lakes in the province of Ontario that have some form of pollution.

Mr. MacDonald: It sounds as though the job is overwhelming you.

Mr. S. Smith: What about his statement, Leo?

Hon. Mr. Bernier: We're pulling this information together. In fact, my staff says it's over 600 lakes now. Once this information

is available, I'll make it available to the House and to the hon. members.

Mr. Reid: Supplementary: Would the minister agree with the Minister of Industry and Tourism's statement that there are lakes with higher mercury levels than the English-Wabigoon and can he identify them for us?

Hon. Mr. Bernier: I haven't seen the full report of the testing that has been done on all the lakes in the province of Ontario, and I'm not really aware of what the Minister of Industry and Tourism said.

Mr. Reid: But the Minister of Industry and Tourism has—

Mr. MacDonald: Maybe he has got the information and you haven't.

Mr. S. Smith: If you don't have it, how come he has it? He must have secret information in the cellar.

AIR POLLUTION IN HAMILTON

Mr. S. Smith: A question to the Minister of the Environment, if I might: Could the minister explain what policies he intends to follow with regard to the fact that the Steel Company of Canada continues to put approximately 36 million pounds of sulphur dioxide into the air each year in Hamilton, whereas Dofasco has introduced a process that reduces that considerably? What is the minister going to do to force the Steel Company to clean up?

Hon. W. Newman: He could go for a swim.

Hon. Mr. Kerr: Stelco was under an emission control order. They have substantially reduced their SO_2 emissions since the inception of that control order, about 1971 or 1972. They have reduced their SO_2 emissions each year.

Mr. S. Smith: That's not true.

Hon. Mr. Kerr: They are in compliance with that control order, which hasn't expired yet; it has a year or so to go.

As far as Dofasco is concerned, the hon. member is correct. By changing their whole process in the main mill, they have been more successful than Stelco as far as their SO_2 emissions are concerned. However, the hon. member should realize that Stelco is a bigger plant than Dofasco, and when we measure emissions we measure the total property of each company. As I say, the reduction in SO_2 emissions from both plants, including Stelco, has been substantial and they are in compliance.

Mr. S. Smith: By way of supplementary, will the minister not admit that 36 million pounds of sulphur dioxide was the precise figure that was being released into the air five years ago? Will he furthermore not admit that Stelco may seem to be in compliance partly because he refuses, and his ministry refuses, actually to measure the emissions at source and insists on measuring them a considerable distance away? If Dofasco could clean up, then why can't Stelco clean up?

Hon. Mr. Kerr: If the hon. member is suggesting that the emissions from Stelco, have not been reduced in the last five years, he is wrong, absolutely wrong. Stelco has reduced its emissions.

Mr. S. Smith: Per ton they have been reduced.

Hon. Mr. Kerr: They have reduced their emissions. They are in compliance under a control order. There is no legal way we can require that plant to convert its production facilities in the way that Dofasco did.

Mr. S. Smith: Tax them.

Hon. Mr. Kerr: All we can do is require them to comply with certain emission levels, and we are doing that.

Mr. S. Smith: By way of supplementary, would the minister not accept that possibly the only way we are ever going to get them to clean up is to tax them per pound of sulphur dioxide that they force down the lungs of the people of Hamilton?

Hon. W. Newman: Is that what you would do?

Mr. S. Smith: Yes.

Hon. W. Newman: How much a ton?

Mr. Eakins: Bill, you are retiring.

Mr. Nixon: You are not going to run again, Bill, or you would be Minister of Welfare.

Mr. Speaker: Order, please.

TIMMINS HIGHWAY ACCIDENT

Mr. Ferrier: I'd like to ask a question of the Provincial Secretary for Resources Development. Will the provincial secretary discuss with the Minister of Transportation and Com-

munications (Mr. Snow) the report of the unfortunate highway accident last Sunday night on Highway 144, south of Highway 101 in Timmins, where eight people were killed? Will the minister ascertain what was the condition of the road and will he find out whether the narrowness of Highway 144 was a contributing factor to this accident?

[10:30]

Hon. Mr. Irvine: Yes, I will.

Mr. Laughren: Supplementary: Will the minister ask his colleague, the Minister of Transportation and Communications, as well to improve winter maintenance on Highway 144 and also to investigate the possibility of adding a couple of feet to the width of the highway running from Sudbury to Timmins?

Hon. Mr. Irvine: Yes, I'll discuss that.

FORZE NUOVE NEWSPAPER

Mr. Eakins: I have a question for the Minister of Industry and Tourism. Is the minister aware or concerned regarding the disbursement of public funds in advertising, which comes under his department, in the newspaper known as Forze Nuove, whose editorial staff contains three members of the Legislature here and which newspaper is clearly a partisan political newspaper? Has the minister read the newspaper himself and would he comment?

Hon. Mr. Bennett: No, I have not read the newspaper myself. I have been aware for some time that this particular publication had three members of the Legislature on its board of directors or on its management team. On inquiring from people within my ministry and checking it through, it's still a bona fide publication as far as the media are concerned.

Hon. Mr. Davis: Some of your people are on it.

Mr. Lewis: What do you mean? That's what makes it bona fide.

Mr. Nixon: They interview each other.

Mr. Speaker: Order, please.

Mr. Eakins: Is the minister aware that up until last June the mailing address for the newspaper was the constituency office for the member for Downsview? Is the minister aware that the December issue, which shows Christie Street as being the address, still has the return address as the hon. member's constituency office? Would the minister comment please?

An hon. member: Oh!

Mr. Nixon: Why don't you give them money?

Mr. Eakins: That's right. Has the minister read the newspaper?

Hon. Mr. Bennett: No, I have not read the newspaper.

Mr. Eakins: I think you should.

Hon. Mr. Bennett: It's been drawn to my attention, may I say. But even the Leader of the Opposition is aware of the fact that three of his members happen to be associated with that particular publication.

Mr. Reid: It's all right for them—

Mr. Eakins: But has the minister read the paper?

Hon. Mr. Bennett: No, other than I've been told that the editorial seems—

Mr. Eakins: You should get a subscription.

Hon. Mr. Bennett: —to relate to a certain political party in Ontario that is not for the free enterprise system but which is obviously willing to accept a profit in the operation of that particular function.

Mr. Reid: It's called living off the avails, I think.

An hon. member: They're prepared to take public funds, aren't they?

Mr. Reid: It's sort of don't do as I do, do as I say.

Mr. Spence: Shenanigans.

Mr. Eakins: Does the minister approve of this advertising?

Hon. Mr. Bennett: If there is some use of public funds for a constituency office, which is also being used as a mailing address or as the head office for this publication, I would say the responsibility should be directed to you, sir, as the Speaker of the Legislature.

Mr. Eakins: Is the minister in charge of the funds?

Hon. Mr. Bennett: As to the editorial content, we are aware of what it relates to. We still feel it is a publication that circulates in a given portion of Metropolitan Toronto. The ministry, through its advertising agency, believes the paper should still be awarded ad-

vertising from the government of Ontario in the information programme.

Mr. Eakins: I'd like a donation for my brochure then.

Hon. Mr. Bennett: I beg your pardon?

Mr. Foulds: Don't you send out a member's report?

Mr. Speaker: Order, please. Is this a question?

Mr. Cunningham: By way of supplementary, what is that advertising agency?

Hon. Mr. Bennett: It's Foster Advertising. If the member would look it up, that is part of the overall advertising programme. It is not the one he'd like to think it is.

Mr. Peterson: Who is that?

Interjections.

Mr. di Santo: On a point of privilege, I should say, Mr. Speaker, that the newspaper in which I am involved, whose name is Forze Nuove, hasn't been published since June because of lack of funds. I think we should have more advertising from the government.

Interjections.

Mr. Reid: You've got to give them credit.

Mr. Breithaupt: Only in the public interest, of course.

Interjections.

Mr. Speaker: Order, please. We cannot hear the hon. member.

Mr. di Santo: I should also bring to your attention, Mr. Speaker, that our paper—and when I say "our", I mean a group of progressive people in Toronto who do not—

Interjections.

Mr. Speaker: Order, please. The hon. member is supposed to be speaking on his matter of privilege.

Mr. di Santo: I'm trying, Mr. Speaker. The paper was set up by a group of people with non-profit purposes, and the reason the mailing address was in my office was that before the constituency office was founded, I still rented that office with my riding association, through the money of the riding association. So I think the comments of the hon. member are completely irrelevant.

Mr. Reid: You would.

Hon. Mr. Rhodes: No, no, right on.

Mr. Reid: If it was Liberal or Conservative, it would be headlines in the Star.

Mr. Speaker: Order, please. Order, please. This is getting to be a debate now. I understand the mailing address has been changed, so I'm interested in that bit of information.

Mr. Reid: The December issue for 1976—

Mr. Speaker: All right. Thank you very much. We'll check into that matter.

TORONTO WORKSHOP THEATRE

Mr. Foulds: A question of the Premier in the absence of the Minister of Culture and Recreation (Mr. Welch): Is the Premier or the government aware of the threat to the Toronto Workshop Productions Theatre, which apparently may be demolished within a six-month period because of a development that is taking place in that area? Is there any way that the government, through a co-ordinated effort on the part of the Ministry of Culture and Recreation and the Ministry of Housing, along with municipal officials, can ensure a development will take place that will maintain the theatre in the location that it presently has, since the theatre has contributed so much to the development of theatre, not only in Toronto but in Canada, and is internationally known?

Hon. Mr. Davis: Mr. Speaker, I notice the Minister of Culture and Recreation is at this moment going to have a conversation with the House leader of the member's own party, and perhaps when that conversation is finished he may be in a position to answer that more directly. But in case the conversation with the NDP House leader does not allow the Minister of Culture and Recreation to be here to answer directly, I will discuss it with him. One of us will have an answer for the member some time early next week.

Mr. Foulds: In a supplementary directed to the Premier that the Minister of Culture and Recreation can overhear—

Hon. Mr. Davis: I don't like the word "overhear," but he certainly can hear.

Mr. Foulds: —does the Premier not think that if it is a viable and just expenditure of funds to save the arenas of the province—and I think it is—it is also a viable and just expenditure of provincial funds to save so valuable a theatre?

Hon. Mr. Davis: Mr. Speaker, I really don't want to go into a long dissertation as to this government's record in the promotion and development of cultural events and attractions—

Mr. S. Smith: Take 10 seconds and give us the whole thing.

Mr. MacDonald: Do you always emphasize the irrelevant and discard the relevant?

Mr. Reid: The way you people dance around the answers, you make the National Ballet look like amateurs.

Hon. Mr. Davis: —but I certainly would be proud in so doing, because it is a record that I think bears repetition time and time again. I'm sure the hon. member is aware of just how much we have done as a government in terms of the development of theatre, the ballet, the art galleries, the museums and so many of these cultural things.

As it relates to this particular theatre, I will discuss it with the Minister of Culture and Recreation.

GAME BIRD HATCHERY

Mr. O'Neil: Mr. Speaker, I have a question of the Minister of Natural Resources. I wonder if the minister could tell us what the intention of his ministry is concerning the Ontario Game Bird Hatchery at Codrington?

Hon. Mr. Bernier: Mr. Speaker, I will get the information and be glad to give it to the member.

PELEE ISLAND POLICING

Hon. Mr. MacBeth: Mr. Speaker, the Legislature will recall that on Friday last the member for Essex South asked a question about policing services on Pelee Island. I have reviewed the situation and am able to provide the following information:

The incident that prompted the member's question was an alleged assault on a Pelee Island resident by four young people. The resident telephoned the OPP detachment in Essex at 6:45 p.m., Saturday, November 20, and identified the youths, asking to see an officer that evening in order to lay charges.

At 7 p.m., the corporal at the detachment was made aware of the occurrence and attempted to contact Constable Sheppard, who was the officer on Pelee Island throughout the summer months. The corporal reached Constable Sheppard at 12:30 a.m. on November 21, and instructed him to attend to the matter that day.

Approval was given for a chartered flight to the island but due to weather conditions Constable Sheppard was unable to go. He attempted to telephone the complainant on Sunday morning between 8:30 and noon but was unsuccessful. However, he was able to reach the township clerk and requested her to contact the complainant and to say that he would take the ferry from Kingsville and arrive at the island at 7 on Monday morning.

Constable Sheppard did reach the island at that time. Private informations were subsequently laid against the four youths and the complainant is satisfied.

Considering the weather conditions, the OPP acted as quickly as possible. The chartered flights which are available to the force do not fly at night except in extreme emergency. They do not fly in unfavourable weather because there is no instrument landing equipment at Pelee Island airport. There is a scheduled airmail flight to the island every day except Sunday, the day Constable Sheppard needed transportation. Weather conditions prevented the ferry from operating on that day as well.

Because of the small number of residents on Pelee Island during the winter, the force does not maintain full-time personnel there between October and April. During the rest of the year, an officer visits the island on a weekly basis unless called for a specific occurrence.

In view of the small number of year-round residents and the present budgetary constraints, it is not possible to justify a full-time posting. However, in view of the special problems on Pelee Island, I have requested the commissioner of the Ontario Provincial Police to review the force's procedures there and at the present time they are being stepped up.

SENIOR CITIZEN RENT SUBSIDY

Mr. Deans: Mr. Speaker, a question of the Premier: Does the Premier recall that during the last election campaign he said he would be prepared to introduce a rent subsidy programme for senior citizens? Given that we don't seem to be able to build a sufficient number of units to accommodate all those who are in need, would the Premier consider introducing that rent subsidy programme now in order to alleviate some considerable hardship felt by a great number of seniors in the province of Ontario?

Interjection.

Hon. Mr. Davis: I don't recall the exact reference. I can recall many things said during the last election—

Mr. Deans: Does the Premier remember the times when he thought he was going to lose?

Hon. Mr. Davis: —both by me and many others, I might add.

Mr. Peterson: If you can't answer that one, answer any other problems.

Mr. Speaker: Order, please.

Hon. Mr. Davis: If that is a supplementary from the member for London Centre, I can remember some of the things he said which I know now he wishes he hadn't.

Interjections.

Hon. Mr. Davis: This is no place for him to start his leadership campaign. Do it outside the House.

Mr. Lewis: You are feeling expansive, aren't you?

Mr. Speaker: Order, please.

Mr. Breithaupt: We can't have politics in here.

Interjections.

Hon. Mr. Davis: I told the member for Kitchener that he should have been in the campaign. Does he remember my telling him that?

Mr. Breithaupt: With my luck, I would win.

Hon. Mr. Rhodes: With our luck, you would.

Mr. Speaker: Order, please.

Hon. Mr. Davis: Mr. Speaker, that has to be the most revealing statement of the morning.

I will take a look at what I said and see whether I can explain it early next week in words which will be understood. I don't think I really referred to a rent supplement. I think there were one or two other ideas but I will check very carefully because I wouldn't want, in any way, to state something here this morning that wasn't said a year ago last October.

Mr. Peterson: Get on to other problems—don't worry.

SEVERN PARK DEVELOPMENT

Mr. Riddell: A question of the Minister of Natural Resources: Is the minister aware that the Ontario Provincial Police properties branch has chosen the Severn Park property for a new detachment office and is still awaiting word from the Ministry of Government Services as to whether this property could be acquired and that the OPP has still not been informed that this property has been given away by the minister?

Hon. Mr. Bernier: No, Mr. Speaker.

Mr. Riddell: Will the minister notify the OPP that this property has been given away? Will he inform this House as to who runs the show over there—the cabinet ministers or the minister of all portfolios, Lorne Henderson?

Hon. Mr. Bernier: Yes, Mr. Speaker.

Hon. Mr. Davis: He does upset you, doesn't he? You shouldn't let him get to you.

Hon. Mr. Bernier: A big man, a big responsibility.

FOOD SERVICES STAFF

Ms. Sandeman: A question of the Minister of Government Services: Is the Minister of Government Services aware that women employed as waitresses in the dining room and the snack bar of the Legislative Assembly are now earning less on an annual basis than they were in October, 1975?

Hon. Mrs. Scrivener: Mr. Speaker, I am not aware of this but I think perhaps this is a matter to be referred to the Board of Internal Economy. The dining rooms are under the Speaker's jurisdiction.

Mr. Nixon: It is those big tips.

[10:45]

Ms. Sandeman: A supplementary: Would the minister undertake to look into that and bring it to the attention of the Speaker? The things she should be looking at are practices which I believe are unfair to those employees. Is she aware, for instance, that last year employees were paid for holidays and this year they are not? Now they are being asked to pay for food. I think perhaps she could take this matter under advisement, as she is responsible for employees in this building.

Hon. Mrs. Scrivener: Mr. Speaker, I am entirely sympathetic with this impassioned appeal but I have no jurisdiction.

HYDRO POWER REDUCTION

Mr. B. Newman: I have a question for the Provincial Secretary for Resources Development: In light of the announcement by his colleague the Minister of Energy (Mr. Timbrell), that due to technical difficulties we had brownouts last night, would the minister request him to look into the feasibility of reopening the J. Clark Keith generating station so that we would overcome any future technical difficulties and see there is sufficient power for the province of Ontario?

Hon. Mr. Irvine: I will be delighted to discuss the matter with my colleague.

Mr. B. Newman: Thank you.

CONFLICT OF INTEREST

Mr. Swart: Mr. Speaker, I wanted to ask this question of the Treasurer (Mr. McKeough) but I will direct it to the Minister of Housing. Is the minister going to investigate, or ask the Treasurer to investigate, the apparent conflict of interest of regional councillor Frank Landry, of Lincoln, as alleged by the CBC programme, Fifth Estate? The regional councillor is reported to have seconded motions to include within the Niagara region urban development boundaries—which are now before this ministry—certain lands in which he had a pecuniary interest without declaring such interest?

Hon. Mr. Rhodes: I appreciate the question will now be on the record, but I am afraid the member will have to refer that to the Treasurer for a response on the conflict of interest situation, if one exists. The other factor, of course, is that he places much more credibility in the Fifth Estate programme than I would.

Mr. Swart: A supplementary: Doesn't the minister think that with the Niagara urban boundaries now before his ministry—and the alleged conflict of interest could void those boundaries for a period of two years—he should make an investigation for his own purposes?

Hon. Mr. Rhodes: If the matter the hon. member has brought forth does have some bearing on what will eventually be developed as the official plan of the urban boundaries in the Niagara region, we will look into that.

MORTGAGE INTEREST SUBSIDIES

Mr. Sargent: Mr. Speaker, to the Premier: Due to the fact that during the past month or so we have been going through the public accounts and studying the $187 million bait of first-time home buyer grants in the last election, when is he going to make good his promise to provide a $500 per year income tax credit for homeowners with mortgages over 10 per cent? Is he going to put that into effect this year or is he going to warm it up for the next election, next April?

Hon. Mr. Davis: I would be very prepared to take the hon. member's advice as to which would be the most appropriate time. I certainly always do take his advice when it's relevant, which is rarely.

I would say to him that the suggestion, I think, is really one which in more affluent times is still worthy of consideration, although I would argue it should be a national programme rather than a provincial one. As the Treasurer has explained, and I have explained on a number of occasions, the financial constraints of the province, the economy at this moment, would not permit us to consider—

Interjections.

Hon. Mr. Davis: —what I think is a very worthwhile suggestion.

Mr. Speaker: The oral question period has expired. Before we go on to the next order of business—

Mr. di Santo: A point of privilege, Mr. Speaker.

Mr. Speaker: A point of privilege? The member for Downsview.

POINT OF PRIVILEGE

Mr. di Santo: I would like to point out to you, Mr. Speaker, that in the last issue of the newspaper to which the member for Victoria-Haliburton was referring, the only address is 580 Christie Street, Apartment 603. There is no mention whatsoever of my constituency office.

Hon. Mr. Davis: Look at the envelope.

Mr. Speaker: I am sorry, I couldn't hear what was said because there was a bit of background noise, but I shall refer to it in Hansard. Does the hon. member for Victoria-Haliburton have something to say on the same matter?

Mr. Eakins: Just to reply, Mr. Speaker, I want to point out that while the newspaper does show the Christie Street address, the

return address on the envelope shows the member's constituency office number.

Mr. S. Smith: And all previous issues showed that address.

Mr. Speaker: Thank you very much. It was pointed out, I believe.

SPEAKER'S RULING

Mr. Speaker: On Tuesday last the member for Wilson Heights rose on a point of order respecting remarks of the Premier on Monday.

Mr. S. Smith: The Premier is finished.

Mr. Speaker: Before dealing with the specific matter, I should again point out, as I intimated on Tuesday, that if something is said or some incident occurs which is in the opinion of any member out of order, he must raise the point immediately. It cannot be delayed 24 hours or more and then raised. Once the incident has been allowed to pass without objection or has not been caught by the Speaker, that is normally the end of the matter.

However, in view of the fact that this type of allegation has been actively before the House recently and now it has been called to my attention, I feel I should deal with it even though, owing to the uproar in the House at that particular time, I was unable to hear the exchange on Monday last.

I have now consulted Hansard, and I find that after the Premier had answered a question relating to the projected Reed Paper Company development in northwestern Ontario, and outlined the government's intention, Mr. Lewis is quoted as saying: "At any cost, eh? At any cost?" The Premier took objection to this remark, pointing out that it implied that his specific statement was untrue, at which time he used the expression: "And it is totally irresponsible, misleading to the House and to the public to create any other impression."

I call the attention of the House to standing order 16(a), paragraph 10, which states that it is out of order to charge another member with uttering a deliberate falsehood, and under this general prohibition it has been clearly stated, both in this House and in the Parliament of the United Kingdom, that it is unparliamentary to accuse another member of deliberately misleading the House. It is quite possible that the remark of the Leader of the Opposition carries an implication that the Premier was not telling the truth.

Mr. Deans: No, no.

Mr. Speaker: Order, please. In any event I suggest that it is very clear that the remark does impute an improper motive to the Premier.

Mr. Reid: The other way around.

Interjections.

Mr. Speaker: I refer you to standing order 16(a), paragraph 9. On the other hand, while the phrase "misleading to the House and to the public" does not by itself appear to be worded as an accusation of deliberate intent, I feel that in the context in which it was used it does carry that implication. In view of the recent occurrences, I think the members will agree it is time that they be more careful in their choice of words so that no improper implications may be presumed.

For the above reasons, I feel strongly that the whole exchange was improper and that both the Leader of the Opposition and the Premier should withdraw their remarks.

Hon. Mr. Davis: Mr. Speaker, I certainly wouldn't want to debate your ruling which I know you have reasoned through very carefully. I too have checked Hansard and I certainly would not in any way disagree with your observations, other than as I read what I said.

Mr. Nixon: You better quit while you are ahead.

Mr. Breithaupt: Just say you are sorry.

Mr. Speaker: Order, please. The hon. Premier has the floor.

Hon. Mr. Davis: I just want to make it very clear that when I suggested to the Leader of the Opposition—and I think there is a very distinct difference—

Mr. Lewis: I think there is a difference too.

Hon. Mr. Davis: I want to say at the outset that if you are suggesting to the Leader of the Opposition that he withdraw what he said: "At any cost, any any cost; yes", I am quite prepared to withdraw that part of my observation, where really I did not say to him that he was deliberately misleading the House —and I checked the grammar very carefully, which I don't often do—I said, "It is totally irresponsible of him," which I think you

would agree, Mr. Speaker, is parliamentary and factual in this case.

Mr. Reid: And normal.

Hon. Mr. Davis: I said that really it was "misleading to the House and to the public," which is not saying to the Leader of the Opposition that he was deliberately misleading the House.

I have checked certain parliamentary precedents and I would go back to the phrase used by Winston Churchill in the House of Commons where it was ruled proper for him to say that a statement made by one of his opponents represented a terminological inexactitude. That's the way I would describe what the Leader of the Opposition has said and I would be quite content to withdraw that part of my observations on the understanding, Mr. Speaker, that you're suggesting to the Leader of the Opposition, that what he says—"At any cost, at any cost"; which is not true—also be withdrawn.

Interjections.

Mr. S. Smith: Another of the Premier's finer moments.

Hon. Mr. Davis: Delighted to do it.

Mr. Lewis: On a point of order or privilege relating to your statement, Mr. Speaker, I must say I wish you hadn't given a clarification; I just want to offer that to you. I wish you hadn't clarified it because the interpretation which has been given to the exchange which occurred really bothers me.

As a matter of fact, I want to use this opportunity on the point of order to say that I regretted, at the time and subsequenly, the use of the phrase "at any cost, at any cost", because I meant something quite different, as I expressed it, from the interpretation which the Premier put upon it—although I understand, in the context of that exchange, why the Premier would receive it that way and why he said what he did. In the fracas I missed the precise words. In the nature of this Legislature, I didn't feel called upon to rise at the moment and ask him to withdraw.

I'm quite happy to leave it that way at this time although I must say, Mr. Speaker, that your interpretation of that event imposes constraints upon some of the exchanges of the House or makes imputation of motive or intent which is really quite astonishing. I don't think that the clarification has helped very much at all although I appreciate your taking the time to do it.

Hon. Mr. Davis: May I say on a further point of order—I don't want to prolong this—I accept what you have said and I'm really very encouraged by the observations of the Leader of the Opposition. It was not my intent to suggest he was deliberately misleading the House. I may say certain things outside the House—that's a different situation.

The reason I am acquiescing, Mr. Speaker, is that I sense in the past two or three weeks, in the very difficult discharge of your responsibilities, you are attempting to bring a slightly greater degree of order to this assembly, to ensure that all of us recognize, in whatever language we use, that there could be interpretations put upon these words which were not necessarily intended. It is with that general feeling, Mr. Speaker, that you are attempting, for all of us, to give some greater direction to the deliberations of this House—

Mr. Nixon: What are you trying to say?

Hon. Mr. Davis: —that I am not objecting, obviously, to your ruling. I'm delighted to hear the Leader of the Opposition say he didn't really mean what he said, as I interpreted what he said, by "At any cost, at any cost."

Mr. Lewis: Yes, I meant something else.

Hon. Mr. Davis: Certainly I'm quite prepared to leave the word irresponsible but take out misleading.

Interjections.

Mr. Lewis: I accept that sense of charity from the Premier willingly. Anything as mild as mere irresponsibility attributed to the Leader of the Opposition by the Premier is welcome.

Hon. Mr. Davis: One would think it was December 24.

Mr. Lewis: I want to say, in return, in this friendly way—and I'm hesitant about being friendly because I know how hard you're working at creating a division between us—

Hon. Mr. Davis: I am not. I don't have to work on it.

Mr. Lewis: I can say in this friendly way that, in fact, in terms of strict grammatical usage, the Premier is quite right. There is important difference between misleading the House and misleading to the House. In order to restore our spirit of mutual equanimity and friendship, I thought I'd point that out on his behalf.

Mr. Speaker: Thank you both, hon. gentlemen.

Mr. Kerrio: They never said anything.

Mr. Ferrier: This is too much.

Mr. Reid: Mr. Speaker, could we have a clarification of all that, please?

Mr. Speaker: Not from me.

Mr. Breithaupt: Perhaps they could have breakfast together at the top of the CN Tower.

Mr. Speaker: May I finalize this exchange by repeating one sentence in my remarks which was a bit of an admonition, I think, to everyone. In view of the recent occurrences, I think the members will agree that it is time they be more careful in their choice of words so that no improper implications may be presumed. Thank you.

Now, we'll have petitions.

Mr. Foulds: Round two?

Mr. Speaker: No.

Presenting reports.

REPORTS

Mr. Kennedy, on behalf of Mr. Villeneuve, from the standing social development committee, presented the committee's report which was read as follows and adopted:

Your committee begs to report the following bill without amendment:

Bill 139, An Act respecting Employees' Health and Safety.

Ordered for third reading.

Mr. Speaker: Motions.

Introduction of bills.

[11:00]

Hon. Mr. Welch: Mr. Speaker, before orders of the day, I wonder if I might use this opportunity to share with members of the House the tentative schedule for next week.

On Monday afternoon, we thought it might be wise to take into consideration the interim report of the select committee on highway transportation of goods. So with the concurrence of the House will you put that on the order paper and call for that discussion on Monday afternoon? At 5 o'clock, of course, it will be private members' hour and it will be the turn of the official opposition. There will be no House on Monday evening.

On Tuesday we will hopefully complete the supplementary estimates of the Ministry of Health and then proceed with second readings of Bills 171, 168, 169, 135 and 176, and if time remains we then go into committee of the whole to consider Bill 139 clause by clause.

Wednesday being committee day we then go to Thursday. On Thursday we hope to call for second reading of Bill 170 and then go back into committee of the whole to complete Bill 139, if necessary, and possibly get started on Bill 131 if it is available.

On Friday we would continue with work in committee of the whole if it is required.

Perhaps it would be well to serve notice now that maybe as early as next Friday, but certainly the following Monday we would then be ready to take into consideration order No. 30, which is the motion for adoption of the second interim report of the select committee on the fourth and fifth reports of the Ontario Commission on the Legislature.

If there are no questions, then we might call the order.

Mr. Speaker: Orders of the day.

CREDIT UNIONS AND CAISSES POPULAIRES ACT

Mr. Drea, in the absence of Hon. Mr. Handleman, moved third reading of Bill 97, The Credit Unions and Caisses Populaires Act, 1976.

Mr. Speaker: Does the hon. member for Oshawa wish to make a comment?

Mr. Breaugh: There was a question raised when I chaired that committee that one subsection had been omitted in some form in the printing. I would just like to have the assurance of the Chair that that has been included in the printing—I believe it was section 70, subsection (2). It was pointed out by one of the members of the committee that they couldn't find it yesterday and I just want the assurance that that has been included. Has it?

Mr. Drea: Mr. Speaker, that section is in. There was a suggestion yesterday that it had been deleted; but it's there, section 70(2).

Motion agreed to.

THIRD READINGS

Bill 149, An Act to amend The Municipal Act.

Bill 150, The Regional Municipalities Amendment Act, 1976.

Bill 151, An Act to amend The District Municipality of Muskoka Act.

Bill 152, An Act to amend The Municipality of Metropolitan Toronto Act.

Bill 153, An Act to amend The County of Oxford Act, 1974.

CONCURRENCE IN SUPPLY

Resolutions for supply for the following ministries were concurred in by the House:

Ministry of Natural Resources;

Ministry of the Attorney General;

Ministry of Labour;

Justice policy;

Ministry of Energy;

Resources Development policy;

Ministry of Industry and Tourism;

Ministry of the Environment;

Supplementary supply for the Ministry of the Environment.

BUDGET DEBATE
(continued)

Resumption of the adjourned debate on the amendment to the amendment to the motion that this House approves in general the budgetary policy of the government.

Mr. Deans: I don't intend to go back to what I said last night other than to make one brief comment on the procedures in the House. Today was another example of what worries me. I do think there was a time—Mr. Speaker, before you leave—when the House had a House committee which spoke about rules and talked about the way the rules might be applied. I would like to suggest to you, sir, as you make your way slowly to your chamber, that you give consideration to such a House committee to review certain of the rules and the way they're interpreted in order that we not only understand them but have some agreement on what the interpretation ought to be, given that it's always difficult to interpret rules strictly from the language contained in the rule book.

As I was saying last evening about the rent control legislation, I found the whole matter puzzling. It concerns me that the administration of rent control is, if not aimed at certainly accomplishing, the destruction of the relationship between landlord and tenant, even though those landlord and tenant relationships may not have been the best prior to legislation having been brought in.

I was raising with the House a problem which had occurred, the solution to which I found to be amazing, to say the least. Last evening I pointed out that a constituent of mine had applied to the rent review board for a hearing on a proposed rental increase from $180 to $246, and that at the hearing it had been reduced to $189 or $195. My recollection of the actual amount isn't clear. The landlord had subsequently appealed that decision and during the time the tenant was on vacation the hearing took place. The landlord was granted the entire amount he had requested, about $246.

It puzzled me because there was no rationale or explanation for the decision of the board in the second instance. I wrote to the head office of the board in Toronto asking if they could provide me with the statistical information which would justify the latter decision. Without any reply with regard to that particular letter, they decided, for reasons I don't understand and I'm sure no one else understands, to reduce the awarded amount from $246 to about $220.

If that's the way the rent review procedures are going to work, they are not working to the benefit of the landlords, to the benefit of the tenants or toward the fairness of the way we hoped the law would be applied in the province of Ontario.

If it's simply a matter of a member of the Legislature writing to the board and expressing his or her discontent or sense of upset with the level of rent being allowed, and if that in itself is sufficient to bring about a reduction, I've got to say that the procedures set out are in desperate need of review. I want to suggest that ought to be done.

I want to suggest one other point with regard to the rent review procedure. On a number of occasions I've raised with the Minister of Consumer and Commercial Relations (Mr. Handleman), the problem that I believe we will be faced with come August 1977. I don't yet understand the minister's answer and I've gone through this with him now on at least three occasions. If the law expires at the end of July, 1977, how can a tenant faced with an additional rent increase in any of the months after July, 1977, but within 12 months of the original increase having been enacted, appeal under the law which now exists but which will expire, that the landlord has broken the law?

What court can a tenant go to to have enforced a law which is no longer a law in the province of Ontario? I say there is a need

in this Legislature for the Attorney General (Mr. McMurtry), perhaps, or for the Provincial Secretary for Justice (Mr. MacBeth), to explain to us what the protection will be. What is the nature of the protection tenants will have when the law currently in force expires at the end of July, 1977, given that the landlord decides to impose a further rent increase in August or September or October, within the 12-month period which would have commenced when the last increase was either approved or put in force?

I can't understand how we can expect the law officers of the Crown or for that matter the judges of the province of Ontario to take into account and to enforce a law which is no longer a law in the province. Maybe somebody in this House can explain to me what the nature will be of the protection that will be afforded to tenants starting on August 1, 1977. How are we going to combat the attempts which will be made—and there's no question they'll be made.

It's not hypothetical because landlords are currently asking tenants to sign six-month leases which will expire at the end of July. It's not a hypothetical question and I want to know the answer. I want to know what this government is going to do to protect the tenant against those rent increases. This Legislature quite clearly set out that we intended that tenants would not be faced with more than one rental increase during any 12-month period and that should extend beyond the period when the law is finally rescinded.

I would appreciate it if either the Attorney General or the Solicitor General—I realize he didn't hear what I said—would take a look at the Hansard, take a look at the situation which I believe will exist and explain at some point, in some reasonable language, how tenants are to be protected, given that the government may or may not extend the rent review or the rent control legislation. How will they be protected from further rent increases after July but during the 12-month period commencing when the last rent increase was approved?

I don't understand it and I don't see how the courts can interpret a law which is no longer on the statute books. That's what I have been trying to ask the Minister of Consumer and Commercial Relations for about a month. He keeps telling me, "Don't worry about it. We're going to protect the tenants."

[11:15]

I've got to be honest with the members. That's just not enough. He keeps telling me that the Legislature intended that they would be protected. But you know as I know, the judges don't read what the Legislature intended. They can only interpret what the law says. They're not in a position to interpret laws that don't exist. And they're not required —maybe they should be but they're not— to read the debates of the Legislature. In fact, maybe they shouldn't; it might be in the best interest to save them from that—

Hon. Mr. McMurtry: Cruel and unnatural punishment.

Mr. Deans: Punishment. Yes, I think you probably would be right.

Anyway, I ask that question again, and I ask one of the two ministers who are involved in the Justice field to please explain the legalities of it, in order that those of us who have to explain to tenants across the province where they now stand will be able to do so in a reasonable and understandable way.

I want to leave that topic, though there is much more to be said and my colleague the member for Ottawa Centre (Mr. Cassidy) intends to say much more, I'm sure. I want to turn to the Hamilton-Wentworth regional government for a moment—and it'll be just for a moment.

Three years ago when that legislation that we passed in the spring of 1973, I believe— or was it 1972, perhaps?—finally became enacted, we asked questions, I personally asked questions, about how we would determine the benefits over and against the additional costs. It was evident to me, and I think evident to most who reviewed the legislative process and the legislation as it went through, that if you are going to impose another level of government somewhere between this level, the provincial level, and the municipal level itself, the individual municipality, that you can't do that without additional cost.

We suggested that there should be a continuous monitoring or review of the additional costs, over and against whatever the benefits were or were perceived to be, and that there ought to then be adjustments made to make sure that the public wasn't paying for things which it neither was getting nor had any reason to expect it might get.

I spoke at that time about the more rural areas of the Hamilton-Wentworth region, and I'm not about to go on a witch-hunt with regard to the regional council. I suppose the regional council works just every bit as hard as I do and they try, just as we try, to do things properly. But I said then and I say again that the implementation of regional government has added to the cost burden of the

majority of citizens and I do not—not to this day—see one single benefit that has flowed from the implementation.

I see considerable additional cost and I predict that over the next two years, given that this will be the final two years of the five-year transitional grant period, that the cost to the local taxpayer of regional government in the municipality of Hamilton-Wentworth will continue to rise. Common sense tells you that if the government is paying a transitional grant and that that grant is set out for a five-year period, in ever-diminishing amount, that at the end of five years the municipality and therefore the municipal taxpayers are going to have to assume as their obligation the costs that that transitional grant may well have paid for during its lifetime.

And so therefore, it is now time for this Legislature to conduct a fair and reasonable review of the costs and the benefits of regional government, and to set out for the public, over whom we appear to have some jurisdiction, whether or not there are any benefits that are commensurate with the additional cost. If there are not, do not be afraid to step back and to say that we perhaps made a mistake—we being the government, because I want to make it clear that I predicted that there would be additional costs in the first place, and I also predicted that there would be few, if any, benefits.

I want to suggest to you, Mr. Speaker, that we have an obligation. We can't simply continue to impose more and more and more costs on people, unless there are benefits that somehow or other relate to these additional costs. And I don't happen to believe that in the area I represent—I can speak for no other because I haven't studied it—but in the area I represent I don't happen to believe that there are, in fact, any benefits that you could identify as having been benefits which flowed from the implementation of that particular regional government unit and that would justify the additional cost to the taxpayers.

I appreciate that inflation and increasing costs have made taxes higher but I don't believe that has been the only contributing factor, and I do believe that regional government has contributed significantly to the added cost, and I do believe that we have to be fair with the taxpayers. If in fact they are paying too much and getting not enough, then we have to be forthright and deal with the problem and try to find the solution.

I want also to say that, as I predicted on behalf of my constituents, I could see where there would be very little opportunity for those residing in Blackheath and Winona and the far reaches of my constituency, I predicted they would have to pay more and they wouldn't expect to get any more though they perhaps might not get less.

Well if one was to listen to them, as I do, on a day to day basis you would get the impression they are not even getting as much service as they once got; but they are paying more. I believe that we have to conduct a survey, a reasonable cost-benefit analysis, and determine whether or not we can somehow or other streamline the operation in order to bring the benefit and the cost more into line with the capacity of the people to pay.

Let me tell you that in the area of Binbrook, for example, the only thing that has changed that is of any significance since the implementation of regional government has been that they are going to get the landfill site stuck out in the middle of their community.

I want to tell you that if someone had said to them on the day that regional government was being implemented that one of the benefits they could expect was that all of the garbage of Hamilton and the surrounding area would be dumped in their backyards, I think they might not have accepted it. I think they might have said, "No, thank you very much, we prefer not to have that." I think that's where the problem lies.

I think also there is a clear need to reassure the more rural communities that they are not going to continuously have to bear the burdens without deriving some of the benefits.

Just the other day, the Hamilton-Wentworth regional government finally came to a decision and a conclusion with regard to regional transportation. They have now submitted to the minister—in fact they submitted some considerable months ago or more—the draft legislation which might be required in order to implement regionalized transportation for the area. The minister responded, I believe it was on about Tuesday of this week I would guess, that it might not happen this session. That means that if it doesn't happen this session, it won't happen until next spring. All of the effort that has gone in to coming together and trying to produce a regional transportation system will be further thwarted by the slowness of the Ministry of Intergovernmental Affairs in bringing forth the necessary legislation to put into practice that for which the municipalities themselves have asked.

I urge the Treasurer to move more swiftly and to bring in the legislation, since in fact

it is already drafted anyway; to bring it in and let's deal with it now before we rise during this session or the chances are that it may not be dealt with at all during the life of this Legislature.

To turn to another topic very quickly, I had intended to raise again with the Minister of Health, the matter of the east end hospital, but after the discussions that he and I had the other day I am satisfied the matter is being looked into and I expect to see some concrete plan for the provision of this health care facility some time before the early spring of next year; in fact I would like to see it before the end of this year.

Today I raised with the Premier (Mr. Davis) what I recall to have been a commitment made by him with regard to senior citizens and the problems which confront them as they attempt to raise a sufficient amount of money from their inadequate pensions to pay the rentals charged in many of the accommodations across the province. In particular I want to suggest to the Premier and to the government, that since we appear to be incapable of producing a sufficient number of senior citizen units geared to income, that we have to take a look at alternative ways of ensuring there is a sufficient amount of their income left over after they pay rent to meet their legitimate needs. It can ge done one of two ways. The government is either going to raise their income by way of additional subsidy or it is going to introduce a programme of rent supplement. Within reason, regardless of the accommodation they have and recognizing our obligation to them as the people upon whom this nation was built, it was from their effort and their industry, we ought to introduce a rent subsidy or supplement programme to ensure they will pay no more out of their income than those fortunate enough to get into rental accommodation under the senior citizens' programme are required to pay out of their income.

I don't think anyone in the province of Ontario would quarrel with that. I doubt very much if there are many citizens who would feel that was a waste of the tax dollars of the province. I think the majority of citizens would feel that was a just reward for years of hard work and effort during periods when pension plans were either non-existent or very small, and these people worked in conditions and over long hours, considerably different from those in existence today.

I urge the government to bring in the programme of rent supplement for senior citizens. Allow them to continue to live in the accommodations they are now living in; continue the programme of building new units as quickly as we can; recognize that for many, the remainder of their years ought to be spent in some reasonable enjoyment and that they ought not to have to live like paupers in order to be able to pay their rent and buy their food.

I suggest to the government that's one of these commitments that was made during the last moments of the last election when it looked very much as if the Premier and his cabinet and his government were in serious political difficulties; that he not now renege or backtrack, that he undertake that.

Along the same line, I want to suggest, on behalf of some who live in my own constituency, that there is an evident need, documented now, for an additional unit of senior citizen accommodations. The government should review that and undertake it immediately in order that the people who live there, and who have lived there for years and who have contributed significantly, can enjoy the benefits that are available to many others in the community.

I am also a bit concerned about the rather dramatic downturn in the quality of the service provided by the Workmen's Compensation Board. I am pleased the Minister of Labour is here, because one evening last week when I suggested there were long delays in the payments being made to those who had made claims under the WCB, she seemed to indicate she doubted that that was true. It was somewhat heartening, although upsetting to me, the following day—

Hon. B. Stephenson: For the vast majority it is not true.

Mr. Deans: I didn't say anything about the vast majority. I will come to that. I am not quarrelling with that.

The very next morning in the paper, unbeknown to me, there was a story of a man who had been waiting some 10 weeks for his payment. I appreciate that in the vast majority of cases it's a routine matter and the case goes through fairly swiftly and payment is made. I concede that. If it wasn't that way, then we should tear the whole place down. Quite obviously, there are any number of routine cases and they should go through as routine cases. But that's not the problem.

[11:30]

There are few people who work in a plant or an office in this province who can afford to wait for two months in order that there be adjudication of their claim. I don't know,

quite frankly, of any who worked or who were involved in the same kinds of circumstances that I was in, who could go for eight weeks without money. I know a great number of people across this province who still feel as I do, and as I know many others do, who feel a bit reluctant to go down to the welfare office. In spite of the best efforts of many, there is still a sense among a great number of people that they don't want to go down and get welfare. Maybe we created that stigma and maybe we have to work, as we are working now, to try to eliminate it. Nevertheless it is still there, and to deny it would be wrong.

I have men and women coming to me who have waited six, eight, 10 and sometimes 12 weeks—and, on occasion, even longer—without getting their money from the board. If, as the minister says, in the vast majority of cases it is a routine matter and they get payment fairly swiftly, then that should free some of the hundreds of people who work up there to do an on-the-spot, immediate check to find out what it is that is wrong in the other cases. No one should have to wait more than a month in order to get a decision on whether their claim has been accepted or rejected. No one should have to wait more than a month.

When I make inquiries on behalf of constituents, I find the board telling me that they can't find the file; that is the most common complaint, that the file is out. I'll be damned if I can understand a system where, when a file is out, you can't look at a card and find out where it is. I don't think that is too difficult to ask. Beyond that, when I make an inquiry some seven weeks after the constituent has made the original claim, we're told: "Oh, yes, we are going to have an investigation."

What do they mean, they are going to have an investigation after seven or eight weeks? Immediately it showed up in the system that the claim hadn't been paid—that would be within three weeks—the investigation should have commenced. There should be a sufficient number of bodies in order that someone can go out to visit the doctor, the employer and the employee, and ascertain on the spot the validity of the claim and then make some adjustment in order that payment can be made. Either that or the employee is told immediately that the claim has been denied for those reasons, whatever they may be, and an immediate effort is made to ensure that a hearing can be conducted as quickly as is humanly possible.

We are talking about dealings between human beings. We are not talking about the bureaucracy. We are not talking about the filing system. We are not talking about the building and the quality of it. We are talking about people who need money, and who through no fault of their own find themselves unable to work. I will never understand how it can be that 16 weeks can go by without payment.

Whatever else she does in this ministry, I say to the minister, for goodness' sake, go up to the Workmen's Compensation Board and make it known to them that we in the Legislature do not accept, nor can we or will we accept, that there is any need in this province for a person to have to wait for months in order to receive compensation cheques, because by the time they get their compensation cheque they are so deep in debt that they cannot then get back to the financial position that they were in prior to the injury occurring. I urge her most sincerely to do that.

If there is one thing that has aggravated me more than any other it is the long delays in the adjudication of claims before the board. I know the minister has paid some attention to it, but I would ask her to pay particular attention to the problem areas. It is how we deal with the problem areas that is the measure of the quality of the service that we provide. Anybody can run the run-of-the-mill case through the computer. It's the difficult case that shows our concern and compassion and understanding. That's the case that I talk about today. It is very difficult to say to a person whose rent is due and who doesn't have any money that it's quite unfortunate; and how often I've dug in, as many others have, into my own pocket to try and help them out, but we can't do that indefinitely. We get hassles from the welfare offices because they want to be sure that the claim will finally be approved and it's difficult to get that kind of answer from the board, and the people are left in a position where their income is drastically reduced and their self-worth is brought into question. I think that that's a very difficult thing for most to overcome.

I want to, in passing, say to the Attorney General who is talking very earnestly with his parliamentary assistant—that in watching the courts of the province of Ontario I get the distinct impression that there's a great deal of inconsistency in the way the various courts deal with situations which at least to the public appear to be similar in nature. There's one particular thing that worries me, and I speak

only as an individual; and if I could have the Attorney General's ear for just a moment I won't take long. I realize I've no right to demand it and I wouldn't want to impose on him, but if he could listen for a second? Thank you.

I want to say something to him about justice, and I don't pretend to have any great background in the field of justice, but something has bothered me for years and I speak for myself and for no one else at this point.

I don't understand why we find it necessary to put the names of accused people into the newspapers and in the media. I don't understand that. I can appreciate that after a person is convicted, then the conviction is registered and their name may appear in the public record and is, therefore, open for anyone to see. But I really wonder if justice is well served by putting out all over the newspapers and in the television newscasts and on the radio the names of people who are charged with offences and who may, in fact, be innocent. I know in Britain, in Scotland in particular, the normal practice has been not to name the person at the time of charging, but rather to wait until some later time before their name be used.

I can appreciate that there may be arguments, and some of my colleagues will make them, I'm sure, in favour of the system as it prevails. I'm personally worried about it. I think that it works a hardship on the family, an unnecessary hardship. I think that quite frequently the use of the names in the articles that are written, even though innocence is finally proven many weeks or months later, has a detrimental effect perhaps throughout their entire life. It affects the children, it affects the relationship between those children and other children, it affects the relationship between the spouse and other people in the community and in the family, and while I'm prepared to say that there may be good arguments to be made on the other side, frankly I don't subscribe to them in total.

I think that we have an obligation to protect the innocent, and if our law system—

Mr. Grossman: Does the member for High Park-Swansea (Mr. Ziemba) hear that?

Mr. Deans: I'm not interested in finger pointing; I'm not finger pointing at the moment.

Mr. Grossman: I just want him to hear this.

Mr. Deans: That's okay, but I'm talking about me, okay?

I think if our system of justice believes that people are innocent until proven guilty, I don't think that's how it's viewed outside. I doubt very much if the public believes that people are innocent until proven guilty. I think that the majority of people, for their own good reasons, think that once you're charged, by God, you must have done something or you wouldn't have been charged in the first place. Quite frequently that's not true.

It doesn't speak to the problems, which aggravate me no end, of lawyers making arguments which I think are false and misleading; and of clients who from time to time get off with things on which they ought to have been charged and convicted. It doesn't speak to the problems of the courts and the fact that many Crown attorneys offices take the easy road out rather than going ahead with the charges which ought to be proceeded with in an effort to be fair to the public as well as to the person who has been charged. I don't want to go into that at this point but during the next estimates, I hope, I will have the time to talk about it.

I really do think we should give some serious thought to how we protect people who have done nothing wrong, other than they may have been in the wrong place at the wrong time. They end up having to try to live down the stigma that attaches itself to having been charged in the first place. I put it to members as a person who has given a lot of thought to it but who understands that there are many legal arguments from the other side.

Hon. Mr. McMurtry: Not legal arguments. I share the member's concern, Mr. Speaker, and I communicated those very concerns to a group of senior editors in this province two weeks ago in London. Their view was that the public's right to know superseded those concerns he has expressed and which I share to an almost total extent.

Mr. Deans: I appreciate hearing the comment. The public's right to know, of course, is very important, I understand that. But the public's right to know that one has been charged is somewhat different from the right to know that one has been convicted, in my opinion. If one has been convicted part of the penalty in this society is that one's friends and neighbours and everyone else finds out. That's okay; I guess that's the penalty one pays for breaking the law but one shouldn't

have to pay that penalty if one didn't break the law.

Much of the publicity is given to the charge and considerably less to the outcome. I'm not talking about murder cases; I'm talking about other matters. I'll give an example—this is a very difficult example; not the best one—one reads of a young man being charged with rape and subsequently found not guilty.

His neighbours, most of the families of his friends and most of his acquaintances withdraw from the relationship because they think there must have been something more to it. I think that's a natural reaction. Frankly I think we have to try to protect the innocent, and some of the innocent are the ones who are charged.

I ask members to give some more thought to it. I want them to understand that I speak for myself. I speak for no one else; I don't know who else shares my views but that's my opinion.

Hon. Mr. McMurtry: I would be interested to know if the hon. member would share his views with the members of his caucus?

Mr. Deans: I do.

Hon. Mr. McMurtry: I would be very interested to know whether or not the official opposition had been able to reach a consensus on this very difficult issue.

Mr. Deans: I think that's a fair question. I think we're all interested in consensus around here. I'm not too sure if when the Attorney General says things, he always necessarily reflects the consensus of his own caucus.

That is the benefit of these free-wheeling debates. It allows one to express one's own concerns and one's own opinions. I expect my colleagues will express theirs.

In any event, the Attorney General can now go back to his conversation because I have now completed what I wanted to say on the topic. I appreciate the fact that he stopped long enough to hear me.

I want to turn to two quick matters and then I am finished—in fact, only to one; I'll let the other go for the time being.

[11:45]

I want to suggest to the Minister of Housing (Mr. Rhodes), if he ever gets around to reading this, that soon we must develop an overall housing policy in the province of Ontario which relates to land costs; servicing costs; the kinds of servicing one can reasonably expect to be provided; the size of homes which can or cannot be built—or should or should not be built; perhaps can is not the right word—and the method of mortgaging and the mortgage interest rates that are being charged. If we don't deal with those vital matters soon in this Legislature then I say to you, Mr. Speaker, that within this decade there will be no affordable housing for people who earn average wages and salaries and who go to work every day. It's just that simple.

Unless we begin a process of funding, of ensuring reasonable interest rates, of guaranteeing a fair proportion of investment capital in housing, of keeping land prices at a reasonable level, of providing for the very expensive cost of trunk servicing and of ensuring a reasonable standard that can be expected, then sure as I stand here, there will be no affordable housing built.

I say that the home ownership programme does not provide affordable housing for the majority of people. It was intended to, and when it started out it did. But at today's values it no longer meets the criterion of being affordable for the average income groups in the province of Ontario.

And we need time in the Legislature, time in the committees of the Legislature. We even need, if I dare utter the heresy, we even need an investigation. Maybe it should be a select committee; I don't care. But we need a committee of this Legislature to address itself to accommodation in the province of Ontario. We need to set up a committee that will review the capacity of the builders in the province to produce, the availability of the goods required to produce.

Mr. Shore: Do you agree with that, Mike?

Mr. Cassidy: You guys won't move.

Mr. Deans: We need a study of the costs of land and the added costs brought about by municipal and provincial red tape. We need a study of the costs of servicing and how we, in the province of Ontario, given our much larger taxing resources, can involve ourselves to a greater extent in the trunk servicing for many of the subdivisions that are required. We need a study of rental review accommodation and we need to include a review of mortgages, the amounts of money available in the marketplace and what would be considered by the majority to be reasonable interest rates that could be charged. The biggest mistake we ever made was when we lifted the ceiling on NHA mortgages—not us, the federal government.

I say we need that now and out of it must flow some concrete recommendations

about housing at a price that people can afford. And I urge the government to give serious thought to it because it's a very serious matter. If they don't give thought to it now, five years from now it will be too late. It's almost too late now.

If we don't get into it and get on with it and come up with the recommendations, then I'm going to tell you right now that within the next five years the chances of my children and your children and many other peoples' children across this province ever being able to buy a house that they can afford on the income that they're capable of earning will have passed us by. It will become a thought from the past. We'll look back and say, "Do you remember the good old days when people used to be able to buy houses?" That's what will happen. We'll be looking back into history and talking about how it used to be when the average family could afford to buy a house in the province of Ontario. It's getting that way now and we can't afford it any more and if we don't do something to stop it—and I've been harping on this since 1967—

Mr. Shore: It goes back a long way.

Mr. Deans: —if we don't do something about it now, then I suggest to you that the time for action is so limited that we're not going to be able to accommodate the people in the province, given this next generation that's now in its teens.

Mr. Speaker, I've taken enough time. I appreciate the attention of the House and I hope that some of the comments that I've made will prove to be useful in the government's deliberations with regard to new policy initiatives.

Mr. Cassidy: I have a number of comments and I want to make them specifically about the government's non-policy about rent review and the problems that are being created in the rental housing field and the problems that are being created for tenants as a result.

I might add that the problems aren't just simply for tenants but that there are problems created as well for landlords because of the government's vacillating and its indecision in the question of what to do with the continuation of the rent review programme after July 31 of this year. This matter is of sufficient importance to us in the New Democratic Party that when we were considering whether to move another motion of non-confidence in the government we decided that this was one of the fundamental reasons why we have continued to lose confidence in the government, since proposing our budgetary amendment in the spring. As my leader stated on Monday, we are further concluding that the government does not enjoy the confidence of the House because it "has failed to respond adequately to the administrative problems which have undermined the tenants' accessibility to and confidence in the rent control procedures" and it has failed "to recognize by legislative action the need to ensure protection against unfair rent increase after July, 1977."

I have to say that I don't really know what the government's position is on this question. There have been some inspired leaks to the paper suggesting that there will be some continuation of rental protection for tenants after July 31. Back in September, although he admitted having no inside information and said that the subject had not been discussed in cabinet, the Solicitor General (Mr. MacBeth) said that Ontario might extend rent controls beyond July 31.

Then Mr. Handleman said for the 42nd time that he was going to quit. He was damned if he would be the minister who would be responsible for rent review if it was renewed in July and he said that the rent controls were counter-productive. My leader wished him well, as I have on a number of occasions. I really rather tend to feel that the Premier should accept Mr. Handleman's offer of resignation. It would do the province a great deal of good.

Mr. Grossman: Don't use his name in the House. Refer to his riding.

Mr. Cassidy: However, Mr. Handleman who, I see, has come into the House now has begun to change his tune. By late September he was saying we can't quit the programme cold turkey. He was saying that something was under study. As the member for Sudbury would say—

Hon. Mr. Handleman: On a point of order, Mr. Speaker, I think if the hon. member's going to refer to me by name he should at least stick to the facts and not read from a newspaper report. If I may restate my position, it was that if the present programme was extended, I would not administer it. That's completely different from what the hon. member is alleging now.

Mr. Nixon: What did the Premier say when you told that to him?

Mr. Acting Speaker: I do ask the hon. members to refer to opposition members not by name but by riding.

Mr. Shore: Don't let the facts bother you.

Mr. Nixon: What did the member for Ottawa West (Mr. Morrow) say to you?

Mr. Cassidy: If the Minister of Consumer and Commercial Relations wishes to put that correction on the record then so be it. If he wishes to challenge the Toronto Star or the Globe and Mail, then I suggest that he take things up with them.

Mr. Breithaupt: He's attacking the freedom of the press.

Mr. Cassidy: I think the point is well taken that there's been a deliberate programme to confuse the public as to what the government intended to do and there has been a complete lack of any firm information of what would be done. The Minister of Consumer and Commercial Relations and others have said from time to time that something would be worked out to protect tenants, but they have also admitted all along that there is no way they could commit the government. In fact, the Minister of Consumer and Commercial Relations said that specifically during a couple of late night debates on the adjournment over the question of short leases and the protection that would exist.

In Peterborough just recently the minister responsible for rent control said there would be a protection that would be continued in some form. But then he went on to say that the province could continue the rent controls, scrap them altogether or else take a middle course. He called the middle course the favoured policy. I'll come back to that in a few minutes because, frankly, if the legislation is going to be changed between now and the spring, it seems to me that there is all the more reason for the government to state its intentions now and for there to be an opportunity for landlords and tenants, the public and this House to examine the government's alternative proposals well in advance, rather than in the kind of hasty manner which is becoming inevitable because of the timetable the government is now choosing.

I want to talk in general about the rent review programme. I want to hark back to the election campaign in 1975 and I want to recall to you, Mr. Speaker, and to the public the kind of situation the tenants were experiencing at that time. Rent increase demands—which were more than demands; the tenants had no choice but to accede to them —of 15, 20, 25, and even 30 per cent were becoming common in the major cities of the province at that time. Even the government became convinced, mainly because of the electorate's feelings, that something had to be done.

I think there is no question that rent review was necessary and no question, in fact, that it has worked over the province since that time. The figures which have been published by the ministry, despite the difficulty one has in interpreting them, do indicate there has been a very substantial moderation in rent increases because of the programme which, let's face it, the NDP campaigned for and the NDP got both the public and this Legislature to agreed to.

For example, the figures that were published in September, and which haven't been substantially changed since, indicate that across the province landlords who were requesting increases of 19 per cent and got, after rent review hearings, rent increases of just over 12 per cent. In certain cases—Kenora stands out as being one of the most extreme—they were looking for increases averaging 25 per cent and they got 10 per cent. In London, an area where the landlords said the programme wasn't required, the increases that were demanded were 22.75 per cent, and the amounts that were granted averaged 11.86 per cent.

I have to say we have been unable to get further clarification from the ministry on these figures. I do not even know whether these are on an annual basis or whether these are on an overall basis; in other words, exactly how the ministry is reporting. In Toronto, the landlords requested 19 per cent—which is quite extortionate—and got 11 per cent, based on the past year of costs. In my area of Ottawa, the second largest area for tenants in the province, the landlords requested 21 per cent and got 12.6 per cent.

The figures have changed somewhat since then, but this is a fairly substantial kind of summary. It is interesting as well, in looking at the working of rent review, to consider the fact that of more than 900,000 rental units across the province, up until now something like 100,000 have gone through the rent review process, or about one unit in nine.

Of the remainder, a certain proportion, maybe a third, were units that didn't happen to have a lease that came up for renewal during the period that rent review has been in force. However, somewhere between 400,000 and 600,000 units represent situations where the landlord has been content with a rent increase within the eight per cent guideline. I have to say that would not apply in all those cases, because in a number of cases landlords have deliberately chosen to flout the rent review process and have charged more and intimidated the tenants into accepting a higher increase, and there must be certain

cases where landlords charged less but didn't go before rent review out of ignorance. None the less, for every landlord who brought a rental unit to rent review, there were four or five or six rental units where the landlord was content to stay within the maximum allowable rent increase that was proposed under this particular law.

It seems to me that suggests that not only did rent review have a very substantial effect, but that despite the tremendous lobby and pressure tactics that were used by landlords—and in particular by the Urban Development Institute—most landlords of most rental units across the province have found that, however reluctant they may be, they could live with the rent review process we've had in the province of Ontario, and I think that that fact should be put on the record.

The next point to be made, however, is that rent review has not worked nearly as well as it should, and the reason is because of the ambivalance and the shilly-shallying and the plain, downright pigheadedness of the Conservative government and the people who were appointed to run the rent review programme. We knew they were ambivalent. We know and knew they didn't want rent review. We know and knew the Conservatives would have moved heaven and earth to have not had to bring in this programme, and that has had a profound influence on the fairness and equity with which the rent review programme has been brought in. I have to say there's been a consistent anti-tenant bias. There has been a frequent refusal to heed court rulings. There has been a consistent refusal to provide information to tenants.

[12:00]

The ministry is now taking some experimental steps to allow tenants to photocopy certain information on file in rent review offices. But that is after close to 100,000 rent review hearings have been heard. It is after the bulk of the tenants who are going to rent review during the life of this bill, as we have it right now, have had their experience of how rent review works. The reluctance of the ministry to give any kind of information to tenants has therefore permanently poisoned and influenced tenants' perceptions of whether or not the bill happens to be fair.

Not only that, but I would say that the government has deliberately flouted the law of this province because sections 5(13) and 7(1) of The Rent Review Act state specifically the tenants and landlords should have "adequate opportunity of knowing the issues and the proceedings and of presenting material and making representations on their behalf." The pity and the tragedy is that the only way to bring the government to account for failing to obey its own law is through the electoral process and there's nothing else that tenants can do. I know that many of them will do that when the opportunity arises. It's a pity they have had to live with rent review in the way that the Conservatives have been administering it.

Here are some comments which were filed by the Federation of Metro Tenants which has had widespread experience in helping tenants to live with and get along with rent review. They found that although the legislation provided for the filing of information related to rent increases, the terms of leases and so on, that landlords often did not file a schedule B in which this information was required. And sometimes they didn't file at all. Sometimes they didn't file it accurately. Sometimes they filed it and the tenants were denied access on the grounds that that particular information was confidential.

When tenants considered filing an appeal against the landlord for a rent increase that didn't exceed the eight per cent guidelines they were frequently discouraged by rent review personnel from making applications of this type. If that didn't happen, they were intimidated by a threat by the landlord that if the tenant went before rent review the landlord would increase his demand to an amount greatly exceeding the eight per cent.

The law says that the rent review officers and the appeal board should consider excessive rent increases that might have taken place before the coming into force of the law, between the beginning to January, 1974, and the end of July 1975. The Federation of Metro Tenants, which has monitored this very intensively, says that they have no evidence that that provision has ever once affected a decision of a rent review officer or of a member of the board of the rental review appeals tribunal. There too, the intent of the law was ignored. Despite the mass of guidelines and directives and orders that went out to rent review officers on how to interpret the law, not one line went out to those people to tell them what to take in regard if there happened to have been an excessive rent increase in the period of 18 months before the law came into force.

The tenants became very upset over the fact that rent review officers were considering rent increases in cases where the rent increase was not legal, as they could see it, according to The Landlord and Tenant Act. As the Minister of Consumer and Commercial Relations knows, The Landlord and Tenant

Act required a 90-day notice of a rent increase. That Act was introduced almost simultaneously with The Rent Review Act, but there was not a good integration between the two and there has been a lousy integration between those pieces of legislation in their administration and their implementation.

In order to sort things out, tenants went to judicial review and in the divisional court, in the case of Devitt versus Sawchyn, the court held that compliance with the terms of both The Landlord and Tenant Act and The Rent Review Act was a pre-condition to securing an increase in rent. As I see it, they could have come to no other decision. The court ruled that until both Acts were complied with, a rent review officer had no jurisdiction to order an increase. The rent review programme, however, chose not only to ignore the court's decision entirely, there were also instructions sent to rent review officers to ignore arguments presented by tenants regarding improper notice unless judicial review had been launched in that particular case.

The way the law works is if one judge makes a decision and makes a ruling, that is the law of the land unless that particular ruling happens to be overruled. That is not the way that the minister's cohorts chose to proceed, however. Once an appeal had been launched of the Devitt decision, the rent review programme argued that that decision, the original decision of the courts, could be ignored until the appeal was decided. That's precisely what they did. This was a blatant disregard for the courts and it is part of the overall approach that has been taken in the rent review process by the way that it has been administered by the ministry.

Section 19(3) of the bill allowed the minister to engage persons to provide assistance both to rent review officers, to the rental appeal board and to people who were appearing before either group. That section of the Act has been applied with great assiduity in allowing rental review personnel to give counsel and advice and solace to landlords who come in order to get advice.

Mr. Laughren: Frank Drea should assume part of the blame for that.

Mr. Cassidy: Not only that but, as a result of a reinterpretation of the original rules, landlords are now permitted to charge up to their operating costs, the cost of lawyers' fees for appearing before rent review processes; that is a cost which is allowed in addition to the standard five per cent allowance for the landlords' administrative costs. The landlords, in other words, now have the right to charge their legal fees to operating costs; since the operating costs are passed through to tenants in the form of rents, the tenants pay for clever, experienced, assiduous, persistent counsels who are appearing on behalf of landlords in order to try to thwart the purposes of the rent review process.

Not only do the tenants, have to absorb the cost of the landlords' lawyers, they have got to, if they can, try to get some legal help for themselves. In many cases what happens is that the tenants can't afford legal counsel; or they can afford a lawyer to come in for half a day for the actual hearing but they cannot afford the time and the money in order to have the lawyer prepare a very detailed and comprehensive case. But in the ultimate decision of the rent review officer, they have to pay for $1,000, $2,000 or $3,000 worth of legal fees that are incurred by the landlord in order to try to soak the tenants with a higher rent. That's yet another reason why the tenants feel bitter, and why we feel bitter, about the administration of rent review.

Let me give some instances about the way these things have been working; these are drawn from the thousands and thousands of calls and cases that we in the NDP have handled in relation to rent review over the course of the past year. One particular case was just held on Wednesday night of this week. It is a building in Ottawa South, and in this particular case the building had changed hands and so the fiscal year of the building had changed.

Without making it available in advance, the landlord brought unaudited financial statements with no receipts or vouchers. Even though the tenant's accountant requested that these financial statements be proved, the board did not ask for the receipts. Large amounts were listed as being spent in these accounts as capital expenditures. There were no further details provided. The board didn't ask. There was no requirement that the landlord produce any further information. The rent review officer's decision was based purely on projected costs. Although the building had changed hands, there were no historical data provided.

In other words, the landlord was able to evade completely the position of the rent review bill that only costs passed through are permitted. No receipts were requested by the board even after the tenants had requested them. Among other things, the accounts in-

cluded an increase in legal fees from $4,000 to $10,000, all to be borne by the tenants.

Another case is in Toronto. I can't give the name, but there was a combination of intimidation by the landlord and an inadequate rent review process. The tenant, who had now moved as a result of the intimidation, had to survive several gross intimidations of his daughter, three eviction notices and harassment such as having all his power turned off.

He never received a notice of increase from his landlord but the entire procedure of rent review was gone through anyway. The landlord failed to provide written material either before or at the hearing to justify his request for a rent increase. Nevertheless, a 16 per cent increase was granted by the rent review officer. There was apparently some material to justify the increase given to the rent review officer after the hearing but despite the request of the tenant's lawyer, no access to that material was ever given to the tenant or to the lawyer in strict contravention of the law. The physical difficulties with the apartment, the reduction of services, the lack of heat and so on were never allowed to be presented as evidence at the hearing.

Another case is in Thorncliffe Park. The tenant never got legal notice. The review officer forbade him to speak at the initial hearing when the tenant pointed out the information bulletin about a legal notice. The rent review officer said, "If that is the case and if you think the legal notice applies in this case, then the decision won't apply to you so you don't have a right to speak."

The decision was made to apply. I am glad the minister is staying in for this particular part of my speech. The appeal decision upheld that and the tenant in other words got no protection from the law. He is now going to court to try to obtain rights which are laid out both in the Act and in the information bulletin. He might even win in the courts.

The question we ask is: Why on earth are the rent review officers not instructed to heed the decisions which have already been handed down by the courts.

Another case, Heron Gate, 3,000 rental units, with one of the best organized tenants' associations in the province. This is in the riding of Ottawa South. The people who run that tenants' association have been run absolutely silly by the number of rent review hearings they have had to prepare for and to attend.

After they watched a rent review hearing which was held in the case of Bayshore tenants and the same landlord, Minto, they saw the way the landlord's lawyer was proceeding. They saw no choice but to hire counsel of their own, even though there had been assurances, when the rent review bill was originally passed, that it should be able to proceed without the presence of counsel.

Hon. Mr. Handleman: Why? He has been a very ineffective lawyer.

Mr. Cassidy: I am not sure whether the minister is saying the lawyer for the landlord or for the tenants was ineffective.

Hon. Mr. Handleman: Exactly. He has been very ineffective.

Mr. Cassidy: The first hearing which these people attended to see what their landlord was doing was a shambles, an absolute shambles, and one of the reasons was the presence of the landlord's lawyer.

This fall there was a second round of rent review applications on the part of the landlord who unfortunately, has chosen to try to break the rent review process by launching as many applications and appeals as is possible. I regret that very much because there are people in that firm who are friends of mine.

A week after the second round of applications the tenants' association had to go to a series of linked appeals on the applications which had been heard in the spring. When they asked for information from the rent review office and from the appeal board about which apartments were being appealed, so they could go and talk to those particular tenants and offer to represent them, they were refused.

When they asked for a pre-hearing conference in order to discuss the manner in which the appeals would be heard they were refused. When they wrote to this minister and asked him for legal assistance because of the very heavy responsibilities they were taking on in going to the appeals, and the way the landlord had been getting legal assistance with their money, they were refused by this minister. I have to tell members that is yet another reason for tenants feeling bitter and feel that the law has been acting inequitably.

Another case, which has generated 30 or 40 phone calls to my office and to the office of the member for Carleton East (Ms. Gigantes) in the last few days, concerns Halifax Towers, another apartment building

in Ottawa South, at 2240 and 2220 Halifax Drive in Ottawa. The company is Urbandale Realty.

The hearings now going to appeal refer to increases which will be effective retroactive to January 1, 1976. The first hearing in this case wasn't held until late July and the appeal came down in November. It has taken close to a year, in other words.

To give one instance which is typical—a tenant in a three-bedroom apartment, who was paying $259, got a 12.2 per cent increase from the rent review officer to $290. The appeal doubled the increase to $314 and now the tenant also faces arrears of $410.

To make matters worse, he has been given notice of another eight per cent increase in January, 1977, which will take him up to about $340 a month. He has also been given a short lease until July 31, 1977, which means his rent will go up yet again on August 1 of this coming year.

[12:15]

The decision from the board is as follows—there are certain words which are indecipherable because of poor typing: "operational costs and projected increases contained in this statement are analysed thoroughly and proved reasonable"—blah, blah, can't read it—"are also concluded that the property sustained a financial loss during the period under review. In addition"—blah, blah, can't read it—"account of increases in cost of servicing secondary financing due to a renegotiation of"—blah, blah, can't read it—"end of term."

That's all the justification that the tenants got for the appeal board decision to grant, in this particular case, to the landlord another $25. One has to wonder when two-bedroom apartments or three-bedroom apartments are getting those kinds of rent increases and tenants are not even allowed to know what on earth it's all about. It sure as heck undermines confidence in what's going on.

Brian Bucknall, a professor of law at Osgoode Hall, was a member of the rent review board as representative of tenants, but was compelled or strongly urged to resign after he recently published a paper which was a very well balanced critique of what was happening in rent review. I say well balanced because he had some things that were bad to say about it and some things that were good to say about it. I want to quote some of the items that concern—

Mr. Shore: Did he resign?

Mr. Cassidy: He did resign, yes. He was put under tremendous pressure to get out.

Mr. Shore: By whom?

Mr. Cassidy: By the chairman and by other members of the board. The reason I quote him is because some of his conclusions are comparable to mine, but he doesn't come to this being a member of the New Democratic Party or being a member of this particular Legislature in the official opposition. He was, I would contend, in a good position to look at the whole rent review programme and come to an unbiased assessment of how it was working.

He says that the rent review programme suffered from "two fundamental assumptions which shaped and misshaped the whole scheme. The first was that rent control could be a temporary measure: that a two-year life span for the whole programme was acceptable and that the administrative structure required by the programme could be assembled, have its work completed and be disassembled within 18 months. Obviously, the decision to have a temporary scheme had no foundation in economic theory, and it can only be regarded as the political response of a disaffected government to a programme which it disliked." That certainly is true.

"The other assumption was that the rent review programme could be established and administered wholly separate from the general law of residential tenancies. Rent control is, in theory, inseparable from a regime of security of tenure." I'll give credit to the Attorney General that security of tenure was introduced at the same time. The problem is that the two bills were not meshed together.

We said at the time, and now Mr. Bucknall supports us, and I quote: "Even though the Act, with its period of retroactive application created an automatic backlog of work for the programme, no steps were taken to set up a skeletal rent review staff while the Act was still under debate." I can say to the minister, if he's reading this debate or listening in on the outside, that if the government had come to this party and said, "Look, even though the bill isn't passed, would you mind if we started to advertise for people?" We would have said, "Go ahead. It would be a demonstration of good faith towards tenants. We agree." That could have been simply announced and agreed to in a quiet way in the House.

"In the event," says Mr. Bucknall, "the rent review officers selected were often semi-retired people with some accounting background. Their legal training was in almost all cases minimal and their lack of legal training was dealt with by having them ignore legal questions entirely. The standard prac-

tice for rent review officers has been and is that they will not entertain any discussion about whether even the rent increase notice provisions of The Landlord and Tenant Act have been complied with."

I should add that we researched the background of rent review officers and we found that an extraordinary number—I haven't got the figures with me, but I've read them into the record at other times—an extraordinary number of the rent review officers didn't just have a semi-retired accounting background, they had a direct background in the real estate industry, which almost inevitably made it likely that they would be biased toward landlords and understand landlords' problems far more than they understood the problems of tenants when they came to a rent review hearing.

Mr. Warner: That's precisely what has happened.

Mr. Cassidy: "Again," says Mr. Bucknall, "it must be emphasized that the prospect of acquiring and training a competent staff for this most complex regulatory scheme was hopelessly compromised from the outset by the decision to make the entire programme temporary. Neither serious recruitment nor effective training could be undertaken where the whole effort was to dissolve in just a few months' time." We certainly endorse that.

The problems of morale that have existed among the better people in rent review are legion. A number of those people have resigned; a number of others have been compelled to resign because of the atmosphere in the rent review offices where they are working. They are frustrated beyond belief. They are particularly frustrated because of situations that arise where their decisions are countermanded or contradicted by decisions of their colleagues.

One of the things which I think is the most difficult for tenants to understand is, why is it that units in a particular building may go before a rent review officer on three or four different occasions a few months apart? Different officers will often hear hearings into the same sets of circumstances—the same apartments; the same rents were being charged before the landlord applied for a rent increase; the same accounts are filed, and yet the rent review officers have come up with quite different and contradictory decisions in each of those cases.

Mr. Bucknall went on to point out: "The draftsmen of the new legislation may have been guilty of an excessive enthusiasm for prescribed forms." Well, I've heard the NDP being charged with being form-crazy. I have to tell you, Mr. Speaker, that during the debate last December on rent review, we insisted and got one form put in with rent review. That was the form that related to the information given to tenants if they were being asked to waive their right to a rollback over that period from August to December of 1975. One form. The government put in 11 or 12.

Not only that. They put them in and made the regulations so strict that in certain cases —for example, if people in a 100-unit apartment all wished to appeal a rent review officer's decision—the number of pieces of paper that had to change hands in the required form in that particular case would be 10,000! My God, what kind of government is it over there if they are so incompetent they create that kind of red tape and that kind of paperwork?

Mr. Cunningham: Just plain crazy.

Mr. Gregory: Plain crazy.

Mr. Cassidy: In some cases, says Mr. Bucknall, the forms were drafted in a rather casual manner and had to be amended. In other cases the forms were drafted and the rules were drawn up in such a way that landlords couldn't help but be breaking the law. It seems to me that one of the forms was the rent increase form—I can't even remember the names and numbers; it's very complicated. But it wasn't published and made generally available until a month and a half after the turn of the year and yet it was a required document in order that the provisions of the law be complied with in every rent review application which was filed up to and including that date.

We don't believe that that kind of situation should have been landed on landlords. We have reservations about landlords in many cases and we often express them. We also understand that many landlords are simply trying to provide a service and make a bit of dough and there's nothing particularly wrong with them trying to make a reasonable profit. I say this to the parliamentary assistant to the Minister of Consumer and Commercial Relations.

Mr. Drea: Nothing particularly wrong?

Mr. Cassidy: I say there is nothing particularly wrong with that, no.

Mr. Drea: I think you would be more impressive if you would say there is nothing wrong with making a profit.

Mr. Cassidy: All right, I'll say there is nothing wrong with them seeking to make a reasonable kind of profit in providing the service—

Mr. Hodgson: As long as they don't make too much.

Mr. Cassidy: —and that's the way it used to be before this government and its big developer friends stepped in. But landlords like that who were simply trying to provide a reasonable service—who, as the figures I read out indicate, were in fact content to comply with the law and keep their rent increases under the guidelines—found themselves tangled up in an impossible mess of paperwork which was landed upon them by the government.

As Mr. Bucknall says, "this duplication and triplication of paperwork has given rise to an incredible degree of confusion and technical irregularity."

Then he goes on to say: "Unfortunately, it frequently appears that rent review officers are more concerned to fulfil their mandate to make the hearing expeditious than they are to preserve the appearance of fairness. It is often suggested by tenants that the initial rent review hearings looked like conferences between the landlords and rent review officers to which tenants have been invited."

In some cases the tenants have even been told that they can't participate at all. We have complained about that. This is an impartial view from somebody who sat at a substantial number of rent review appeal board hearings and looked at what was actually happening at the rent review office process. To go on to quote: "Basic procedural questions remain unresolved and were dealt with in various manners by various officers. The parties are frequently denied permission to cross-examine on evidence submitted. While the legislation provides that all parties must have access to materials filed in connection with an application for rent review, the spirit of this rule has not always been respected."

My God, the response to that is that the spirit of that rule has never been respected by this government. We have sought again and again and again with this minister to get the spirit of that rule about access to information to be respected and the government consistently refused. They made a mockery of rent review because of that.

Mr. Bucknall goes on to say: "One of the fundamental tasks facing both the government and the rent review programme was the obligation to educate the public in the new legislation governing tenancies. About $500,000 was allocated to the task of printing and distributing pamphlets on rent review. But it is apparent that the rent review and security of tenure programmes are far too complex to be effectively explained in this manner. The problem of education has been compounded of course by the needless complexity of the rent review scheme and the forms which it has generated, and by the awkward and ill-considered indirection between the rent review scheme and the security of tenure provisions in The Landlord and Tenant Act."

Mr. Bucknall's paper, which I recommend to anybody who's following this debate, also comments on the problems that have resulted from retroactivity in the legislation and from the situation that arose when a tenant moved and a new tenant came in. We've had problems, for example, for a sub-lessor, a tenant who sublets, getting the right even to appear at a rent review hearing. Well, that isn't fair. There are the problems, which I've mentioned, of the incompatibility between the rent review legislation and The Landlord and Tenant Act, the problems of inequalities between identical units within a building, the problems of landlords and tenants not clearly understanding the purpose and the operation of the review process and the problems that the cost pass through principle has led to inefficient and uneconomic management and has discouraged efficiency.

With not too much brevity, that is a critique of what's going on now. I want to talk now about the future, and I want to talk not just personally but on behalf of my party, about what we think should be done in the province with relation to rent review. The very first point I want to make is that as far as Ontario is concerned, rent review is still necessary and it must be continued after July 31, 1977. We call for rent review to be maintained in the province until there is an adequate supply of affordable rental housing in the province. All the evidence indicates the desire of greedy landlords to take advantage of this current shortage of rental accommodation has not abated because of a year and a half of rent review.

The Canadian Council on Social Development recently did a very major and detailed study of rent review. They predicted that there would be large increases in rents if the controls are permitted to expire. They pointed out, in particular, that the rents per room for low income families have been going up for the past 10 years, and not just in the past year or two, very much more rapidly than the increase in their incomes. We also have evidence that more and more big landlords are giving short leases, beginning in January,

February and March of this year. As the member for Wentworth has pointed out, there's no protection for tenants who get short leases when the landlord comes back on August 1 and says I want another five, 10, 15 or 20 per cent. Mr. Handleman can writhe all he wants but he's wrong about the law.

Mr. Speaker: Order, please. I'm sure the hon. member knows he shouldn't refer to the hon. minister by name.

Mr. Cassidy: The member for Carleton can writhe all he wants, but there is no protection after the end of July for any tenant that exists right now. Tenants cannot live on a commitment that comes from a minister who admits in the same breath that this has not gone through cabinet—

Mr. Warner: We can't even get an answer.

Mr. Cassidy: —and he cannot speak on behalf of the government. The NDP also urges that the legislation extending rent review be introduced and preferably be adopted before Christmas. There is a serious situation arising because of the intermeshing of landlord, tenant legislation and the rent review act. As the Speaker well knows, and as I hope the minister and his parliamentary assistant well know, rent increases now must have a 90-day notice. A rent increase to take effect after the end of rent review must, therefore, be notified to the tenant before the end of April, 1977.

[12:30]

Mr. Drea: Mr. Speaker, on a point of order. I don't want to deter the member for Ottawa Centre in any way but the matter he is discussing now is before the Ontario Court of Appeal and there is a decision pending. I think that should be taken into account by him in describing this particular problem. It may very well be settled by the Court of Appeal.

Mr. Cassidy: Mr. Speaker, I think the member should have got up a few minutes earlier when I was talking about the divisional court ruling and the appeal therefrom relating to whether or not rent review decisions could be carried out if an illegal rent increase had been given. I'm not talking about the future. I'm talking about what's going to happen in April when, according to the landlord and tenant law which does not expire, during the month of April landlords must give notice to their tenants of what rents they intend to charge after August 1.

It's simply not fair for the government to say, "We'll bring forward whatever we're going to do about rent review after the Throne Speech, around the end of March, and we'll get it passed in a hurry in April so that landlords and tenants can be guided accordingly." It's not fair to tenants, nor is it fair to landlords most of whom, I believe, are prepared to comply with the law if there's going to be a law.

When the Minister of Consumer and Commercial Relations says our options are to continue the legislation, to scrap it or to take a middle road and that he and the government prefer the middle road, it is even more unfair because if the basis of the law is going to be changed it seems to me this House would be derelict if it did not give an opportunity to tenants and to landlords to study the law and to comment on it before it's enacted.

The parliamentary assistant may recall that last November we moved very quickly. There was co-operation from all parties to hold hearings at an intense pace on the proposed rent review legislation to get it into law before Christmas. It was a pity that the urgency in the House in passing the law was not matched by the urgency of the administration in getting the law into effect.

Nevertheless, this House proved that on occasion there can be inter-party co-operation to get a bill passed quickly. I, for one, and on behalf of my party, don't think in this Legislature we should be put into that position again in April simply because of the incompetence of the government.

I'm now convinced that the government is deliberately delayig an announcement of its plans for rent review so that it can either abandon the programme completely this spring or so weaken it to the point that it is useless. From the thousands of cases we have dealt with in the NDP caucus and NDP riding offices, I'm also convinced it's essential that rent review continue beyond its current expiry date because otherwise many tenants will face landlord demands just as outrageous as the rent increases which forced the introduction of rent review.

It's already too late, however, to have a bill introduced, to have it considered, to hold public hearings and to make the bill law before Christmas—although this is what we would have done if we were the government. I would suggest, however, that this Legislature, being a flexible body, could very easily receive a bill and debate it in second reading before Christmas. There's ample time for that. If we had to come back for a couple of days in the week before Christmas, we're prepared

to do that if it means tenants will get adequate protection.

The matter could be referred to a standing or a select committee of the House to hold hearings and listen to tenants and landlords and the public during the month of January and early February, to get their views and ensure that people across the province know what the continuation of the rent review process is going to be. We would be willing to co-operate to ensure that the bill went back and got third reading and would become law as quickly as possible after the House resumes, presumably in March.

That's second best but it's an awful lot better than the course the government now appears to have chosen which is to do nothing until the very last minute and then to come rushing along and try to look like white knights.

I say to the government that if we get to a situation in which it is threatening to call an election without proceeding on rent review legislation which is before the House at that time it will be on its head. It will be the Tories' fault if tenants are in danger of losing the protection and they will have to defend that dereliction of their duty on the hustings. We will go to every tenant in the province and we will say, "This government's looking for a majority so it can let that bill about rent review drop and do a favour to its landlord friends." That's what we will say on the hustings, and despite what the member for Carleton has been saying, the tenants know it was the NDP that brought up the idea of rent review to protect tenants. It was the NDP that fought for it in 1971, 1972, 1973, 1974, 1975.

If it had not been for the pressure of this party, we would not have had rent review to protect tenants in the real way that it has. That message will be delivered to every tenant across the province during the course of the election if the government continues with the shabby game it is playing right now, which is to try to let rent review drop by accident in the process of calling a spring election shortly after a Throne Speech some time in March or April.

I hope that the ministry replies to this particular point, because I think the government's tactics are totally inexcusable. I think the tenants know the government doesn't have their interests at heart and I think they know the NDP has been fighting on their behalf.

Hon. B. Stephenson: The only interest the NDP has is its own.

Mr. Cassidy: I want to continue now to talk about some of the things which I believe we should consider as changes in rent review on the basis of the experience that we've been having over the last while. I want to say this to the member for Scarborough Centre, who is sitting in on behalf of the minister right now: When we considered these proposals, we thought them through very carefully because he knows, and I know, that it's possible at times for socialists to decide that they will adopt a programme aimed at the infinite perfection of everything in sight.

Mr. Drea: I didn't know that.

Mr. Cassidy: That is a tendency of which we are occasionally guilty and of which the member has from time to time accused us.

Mr. Drea: I have never accused you of that. I didn't know it was part of your philosophy.

Mr. Cassidy: We, as socialists, believe in the possibility of people moving towards greater perfection, greater self-fulfilment and so on—

Hon. B. Stephenson: You don't really; you feel only you are sufficiently perfect.

Mr. Cassidy: —whereas the Tories seem to have a kind of feeling that people are inherently wrong and bad. This is one of the reasons we occasionally go in that direction.

Interjections.

Mr. Cassidy: What we have proposed here, though, are specific proposals that are designed to both improve and simplify the administration of rent review as well as to correct the bias against tenants which the government has adopted.

In the first place, with careful thinking the red tape and form-filling which now surrounds rent review can and should be reduced to a minimum. I mentioned the kind of form-filling that's involved right now. We believe there are many instances in connection with rent review where if a landlord can show, and the tenant agrees, that a reasonable facsimile was used or that reasonable information was given to the tenant, that that should be adequate. Strict compliance with every form, in the sense that you have to fill in the 31st page and that kind of thing, shouldn't be necessary in those cases.

Among other things, if the government had ever chosen to produce a tenants' guide to the rent review programme, comparable with the guide which was produced for landlords,

then both parties would know where they stood and a lot of the formal red tape that they've introduced would be reduced.

It's significant to note that there have been some 247,000 applications submitted to the government in connection with rent review, but only about 100,000 cases have been heard. There's no significant backlog, as I understand it, in most rent review offices right now. We have finally caught up. That means there were two and a half applications submitted for every one that was finally heard; that surely is one indication of the kind of red tape that was introduced with rent review.

The second thing, and I mentioned it already, is our feeling that it's been wrong to have several hearings on an individual building over the course of the year. It has produced contradictory results, it has produced inequitable results and it has produced tremendous harassment and difficulties for tenants and landlords alike.

We believe that the cost of rent review to all parties could and should be cut by requiring that buildings be reviewed as a whole rather than unit by unit. In other words, once it became clear that a landlord was going to look for rent increases exceeding the rent guideline, then the landlord should go forward on a full building basis.

Where there were leases that were due to expire during the course of the succeeding 12 months, then they would also come up for review but the rulings of the rent review officer, as they regard properties with leases that expired later, would obviously take effect at the expiry of those particular leases.

Next, since we are anticipating that rent review would continue until there is an adequate supply of affordable rental housing, we think that the problems of unequal rents for comparable units have got to be resolved through the rent review process. We, therefore, recommend that proposals to equalize rents where comparable units bear different rents within the same building, should be granted provided the overall return to the landlord is not thereby increased.

In other words, if you have two comparable units at $250 and a couple at $225, you shouldn't raise them all to $250. You should bring the top ones down and the bottom ones up and average them out at $237 or whatever it happens to be.

It is possible right now for there to be hundreds of separate hearings for certain apartment buildings where one building review would have sufficed and where it would have allowed the tenants to work together and where it would have produced one result that applied equally and fairly to all.

Next, we think the question of the maximum allowable rent increase has to be reviewed when rent review is continued after July 31. Given the fact that the rate of inflation has declined from 10.6 per cent in October 1975 to 6.2 per cent today, and given the fact that the ceiling on wage increases, which was eight per cent last year, has now been cut to six per cent under the Anti-Inflation Board, we believe the maximum allowable rent increase should be cut by at least two points from its present eight per cent.

I would like to be more precise about what the new guidelines should be but that is very difficult. Six months ago in a written question we asked the ministry to table the calculations which underlay its determination of the maximum allowable rent increase for the year 1976-77. The government has never complied. Six weeks ago we asked them for a whole pile of detailed information. They said, "Look, put it down as a written question and we will give it to you." We are still waiting.

All I know is that the guideline, which doesn't prevent a landlord seeking more or a tenant seeking less, but does act as a kind of rule of thumb for everybody in the game, should surely come down when the other guidelines related to inflation and wage increases in this economy have also come down substantially since one year ago.

Mr. Drea: On the maximum allowable increase you are talking about guideline, not maximum allowable.

Mr. Cassidy: The technical term is "maximum allowable increase," as the parliamentary assistant knows. However, if a landlord seeks an increase, in this case of more than say six per cent, he would have the right to do so but he would have to apply to a rent review office rather than simply bringing in that rent increase unilaterally.

The next thing is the question of openness and equitableness to tenants. We say that the devices that have been used deliberately by the government to obstruct tenants seeking information about rent review should be swept away. There should be an open-file policy for any landlord, for any tenant or for their authorized representative after as well as before hearings. This should include the minutes of hearings and the rent review officer's material. Tenants should be permitted to photocopy the documents. The de-

cisions of the rent review officers and of rent review appeals should be publicly available.

There should also be very clearly laid down requirements about when this information is tabled. For example, the landlord's application and cost-revenue statement should be in the rent review office at least two weeks before a hearing; otherwise, the hearing should be postponed. I don't see how it is possible or reasonable to ask working people who are tenants and who can only get by between 4:30 and 5, since most offices haven't been open in the evening, how it is possible for them to get the information, to look at it, to copy it—now by hand, if, at all—to get together with other tenants to form an association and maybe to hire an accountant or get a lawyer to look at the situation within the space of the three or four days, which is often the maximum period between the landlord's filing of information and the actual rent review hearing.

[12:45]

There should be a tenant's guide to rent review available to complement the guide which has already been distributed to some landlords. The government should provide support for tenant organizations which are helping tenants with rent review. Here again, the Metro Tenants' Federation, for example, had to beg and beg and beg and eventually got a few dollars for legal assistance to tenant organizations in connection with rent review through the community outreach programme of the Legal Aid Plan. The amount that the landlord, Minto Corporation in Ottawa—I am sure there are many others in a comparable situation—has been able to charge against its tenants as an operating cost, and is permitted to do so under rent review, exceeds by far the amount which this government has given to aid all tenant organizations seeking to help tenants in coping with rent review.

That ain't fair, Mr. Speaker, and that wouldn't have been done if this government was committed to making rent review work. I am not saying that the government is going to become pro-tenant.

Mr. Warner: They don't care.

Mr. Cassidy: I wouldn't expect this government to be pro-tenant. It would be nice, however, if occasionally from the Conservative administration of this province we could have a government which takes no sides, which recognizes a problem and then seeks to deal fairly with landlords and tenants alike.

Mr. Warner: That would be novel.

Mr. Cassidy: The ministry knows that some of the things we have proposed are not designed to increase landlords' profits. I think the ministry and the public also know—and they can tell from the tenor of the speeches which we have made as a party—that we would deal fairly with landlords and tenants alike in applying the law that was adopted by this Legislature. That has not been done by the government.

Let me give another example—the manual. When the estimates of the Ministry of Consumer and Commercial Relations were being considered a while ago, the minister finally grudingly said, "The members of the Legislature can look at the rent review officer's manual," a document which had previously been secret.

He predicted that the heavens would open if we got it. He made me sign a form which said that if any of this information got out, it would be my personal responsibility. The implication was that million-dollar lawsuits would be launched against me if I happened to allow the information to get into anybody's hands.

Mr. Warner: Confidential.

Mr. Cassidy: I have to say that the major result of the minister's keeping the manual secret has been simply to embitter the tenants who were deprived of access to it. I made that manual public. We have had less than half a dozen requests from people to look at it because there was absolutely nothing of any consequence in it. All the ministry needed to do in order to stop the hue and cry about the manual and the suspicions it engendered was simply to say, "Anybody who wants to look at it can go to a rent review office and take a look at it at a convenient time. If they want to take a copy of one or two pages, that's just fine."

The whole dissension that created would have gone but that is typical. Maybe it's typical of the minister, maybe it's typical of the ministry or maybe it's typical of the government as a whole in the attitude it has applied with regard to rent review.

The next point I want to make is the question of the discretionary powers which have been used by rent review officers. These powers are so broad that they can and often do ignore ministry guidelines in ruling against tenants. They have done that. They have also very often been erratic and inconsistent in their rulings.

Moreover, some of the guidelines are not available to the public or may not be avail-

able to the public. I frankly don't know. The guidelines are changed frequently. They change without public scrutiny and the tendency of the changes has been to favour landlords.

For example, when rent review began, landlords were obliged to pay their legal costs in rent review cases out of the five per cent of revenue they were allowed for administration. As I have just pointed out, these legal costs are now permitted in addition to the five per cent and are therefore paid directly by tenants out of their rent.

The ministry guidelines to rent review officers should be binding. They should be part of the regulations under The Rent Review Act. They should be public and they should be regularly considered by a committee of this Legislature or by some other appropriate body.

We might beef up the regulations committee and make it do the job not just to see that the regulations fall within the four corners of the legislation but also to judge those regulations and be required to inform the House if it disagreed with any of those guidelines.

Right now there are very broad discretionary powers. Tenants have become confused and frustrated as a result. I have talked about the quality of the rent review officers. It has been made worse and compounded by the fact that they have had no training and they have had such broad discretion. We suggest that every participant should know what the rules of the game are and that those rules should be obeyed by the rent review officers rather than indulging in some completely free-wheeling kind of exercise as they have done in so many cases.

I will conclude with what we would like to see done with the Act. I am glad that the parliamentary assistant is listening with interest.

Mr. Warner: He is uncomfortable.

Mr. Drea: I am never uncomfortable with you around.

Mr. Cassidy: Maybe he is uncomfortable. At least, he is listening.

One of the areas where specifically we need guidelines which are well defined is in the area of items dealing with refinancing and financial loss. This should be carefully defined either in the legislation or in the regulations, and I think we would prefer the legislation. Rent review officers have now begun allowing big rent increases, based on inflated sale values of rental property. In other words, a $200,000 apartment complex changes hands at $300,000 and, all of a sudden, the place is refinanced and tenants are being asked for a 35 per cent rent increase on the basis of that refinancing.

We also have evidence that landlords have begun to trade buildings from one to another in order to establish a higher capital cost. In other words, the member for Scarborough Centre has a building which cost him $200,000. He sells it to the member for Carleton-Grenville (Mr. Irvine) for $300,000.

Mr. Warner: He sold it yesterday.

Mr. Cassidy: The member for Carleton-Greenville sells the building at a similar inflated price, and this is a deal in order to evade rent review.

Mr. Breithaupt: I could think of other examples.

Mr. Cassidy: These were abuses that rent review was designed to correct.

Mr. Hodgson: How about your apartment?

Mr. Cassidy: I am suggesting that rent review is not correcting that because there were not adequate guidelines. Therefore, refinancings are being allowed and there are enormous capital gains being built in when they should have been ruled out.

I want to talk now briefly about what goes beyond rent review. Rent review alone will not relieve the problems that tenants face. Ontario must move to create adequate rental housing for low-income groups and people on modest incomes and to put landlord-tenant relations on a new and enduring basis. The proposals I am going to bring now do not relate to the specific revision of The Rent Review Act. What I have said up until now are things that we think can be introduced conveniently and quickly and simply into the rent review legislation without a lot of fuss. I am glad that the member for Scarborough Centre is nodding and understands.

Mr. Warner: Nodding his head and understanding are two different things.

Mr. Cassidy: We believe, however, that the other shoe has yet to drop, that the government has not yet produced an overall strategy for rental housing and that is one of the reasons why we are in such a mess with the rental housing sector. There should be an overall strategy for rental housing in the province and the responsibility for this policy should lie entirely and clearly with the Ministry of Housing. This responsibility should

include the production of new rental housing and the maintenance of existing stock. It should ensure that low- and modest-income families are adequately served. It should ensure a regular review and updating of the legal basis for landlord and tenant relations and it should include responsibility for the legal framework of rent review.

In conjunction with local governments we believe that the province should set targets for the production of rental housing units for low- and modest-income groups. It should give strong encouragement, rather than the weak encouragement they get now, to non-profit and co-operative housing as a means of meeting these needs alongside the private sector. I could say, incidentally, that we are very disappointed that the Ontario Housing Corporation and the Ministry of Housing are underspending their capital allotment by about $25 million or $30 million this year, which means that they are underspending, if you consider what CMHC would put up with provincial equity, by the equivalent of some 10,000 rental housing units which the province could be initiating or could be encouraging, if it really had the interests of the rental housing sector at heart. But there is no policy and that money is going down the drain. And frankly, that is deplorable.

Mr. Drea: What would you do if the municipality won't take that?

Mr. Cassidy: We are suggesting that the province negotiates with the municipality in order to set targets for the provision of rental housing for people on low and modest incomes. It doesn't have to be public housing. It can be co-operative, it can be non-profit, it can be municipally-owned.

Mr. Drea: What if the municipality still says no?

Mr. Cassidy: It can be integrated with private development. There are all sorts of ways you can go. But there has got to be a will on the part of the province to see that that housing is provided.

Mr. Drea: What if they say no?

Mr. Cassidy: And that will is lacking right now. That will is just not there.

Mr. Drea: What do you do if the municipality says no?

Mr. Speaker: Order, please.

Mr. Cassidy: We would come and make a decision about that, after the municipality indicated it was absolutely adamant. But I would suggest to you, Mr. Speaker, if the municipality was absolutely adamant about not being willing to take any responsibility for providing housing for people on low or modest incomes within its borders, that its own electorate, its own residents would very quickly say to the municipal leaders, "You're full of bunkum. You're not behaving responsibly" and they would see a better attitude was taken.

The problem right now is when the province comes in at the last minute and says, "We want a public housing development with 200 units"—

Mr. Drea: Your colleague to the north of me—

Mr. Speaker: Order, please. The hon. member for Ottawa Centre has the floor.

Mr. Cassidy: I'm having fun, Mr. Speaker. It's when the province tries to shove public housing down the throat of municipalities, like Scarborough—

Mr. Drea: Not in my riding, it doesn't.

Mr. Cassidy: Yes—that's when we get into the problems right now.

If I can go on, we believe that the responsibility for enforcement of landlord and tenant matters is now split three ways and that's wrong. Right now, the rent review administration has jurisdiction over rents; the courts have jurisdiction over landlord and tenant matters—evictions and so on—and the small claims courts have jurisdiction over unpaid rents.

Tenants and landlords are both denied justice because the system is costly, cumbersome and slow. We believe that the responsibility for the administration of these three major areas of landlord-tenant relations should come under one authority and that the services in these three areas should be available and cheap, accessible and quick.

We suspect that the most logical ministry to do this is that of the Attorney General—certainly it is not the Ministry of Consumer and Commercial Relations. The most logical means would be a landlord and tenant court which operated in close proximity to rent review offices. We believe that officers of the landlord and tenant court should have the power to undertake cases on behalf of landlords and tenants when enforcement cannot be achieved by the initiative of one party alone.

One of the tragedies of the present situation is that when a tenant is intimidated and the landlord is charging him far more than the law permits but the tenant fears to speak

up, there's no monitoring by this government to find out whether or not that law is being obeyed.

Mr. Drea: That is not true.

Mr. Cassidy: That is certainly true. There is no monitoring. We have no information like that.

Mr. Speaker: Order, please. The hon. member only has the floor.

Mr. Cassidy: I have brought cases before the Legislature—the case of the buildings owned by Ernest Assaly in Ottawa is a good one. There has been no action by the government. The ministry promised that the Attorney General's people, the Crown attorneys, would take on cases on behalf of tenants but as yet I know of no instances in which any such case has actually been taken up by the ministry.

In order to ensure that the law is complied with we believe that either the courts or the municipality should maintain a public registry of rental buildings and landlords should be required to file rents and services once a year. They should be required to comply with the present provisions for posting within their buildings which are ignored in 99 per cent of the cases. The courts should also be a centre for providing information and counsel about the rights and responsibilities of both landlords and tenants.

Further, in order to reduce the need for landlords and tenants to refer to government, a standard lease should be introduced in Ontario which ensures that every tenant is aware of his rights and obligations under the law. We believe that the right of tenants to form a tenants' association and to choose representatives to speak on their behalf with landlords should be recognized by law. Tenant associations should be guaranteed the right to communicate with their members and to provide services for tenants.

Finally, and I'm sorry I haven't got the time to elaborate on this, in the very near future and provided that tenant associations do become recognized in law, we could see that an alternative to rent review could be created which would exempt any bulding from rent review where the landlord and the tenants' association had reached an agreement about rents, services and other matters of mutual concern, and where the agreement had been ratified by a majority of tenants. As long as this agreement lasted that landlord and those tenants shouldn't have to go to rent review. The protection of rent review, however, should remain where no such building agreement exists or where such an agreement lapses.

This is a set of very positive proposals which we have put forward. We think the minister's commitments are hollow and we think the government is shilly-shallying. We suspect it is deliberately trying to lead tenants down the garden path with the intention of letting rent review lapse during the course of the next campaign in the spring. We will bring the government to account if it goes forward in that way.

We believe it's only fair to tenants and landlords that the government act now and that it allow its proposals to go to public scrutiny and public hearings now or in January. We think the law on rent review needs to be changed in order to cut red tape, reduce costs and make the programme more equitable. We believe that can and should be done in a way everybody understands and in a way that everybody, including the landlords, will agree to. They're fed up with the red tape just as much as the tenants.

[1:00]

Mr. Speaker: Is the hon. member about to complete his remarks?

Mr. Cassidy: I have about one more minute, Mr. Speaker, if I could have your consent.

We think the landlord-tenant law needs to be improved and we think the government needs to bring in a policy to ensure an adequate supply of rental housing for people on low and modest incomes.

It's tiresome to have to badger the government to respond now to tenants who are worried about whether rent review will continue. It's tiresome to have to press continually for improvements in landlord and tenant law when they are long overdue. But the reluctance of the Conservative government to give tenants a fair deal, and to respond to Ontario's need for housing for people on low and modest incomes, makes me suspect that after 33 years it's simply tiresome to have a Tory government.

Mr. Speaker: Would someone move the adjournment of the debate?

On motion by Hon. Mr. Irvine, the debate was adjourned.

Hon. Mr. Irvine: Before moving the adjournment of the House, Mr. Speaker, I'd like to have the concurrence of the House to

table the answers to two questions on the notice paper.

Mr. Speaker: Do we have that concurrence?

Some hon. members: Agreed.

Mr. Speaker: Agreed.

ANSWERS TO WRITTEN QUESTIONS

Hon. Mr. Irvine tabled the answers to questions 165 and 166 standing on the order paper. (See appendix, page 5374).

On motion by Hon. Mr. Irvine, the House adjourned at 1:02 p.m.

APPENDIX

(See page 5373)

Answers to questions were tabled as follows:

165. Mr. Warner—Inquiry of the ministry: Would the Minister of Colleges and Universities respond to the recommendations contained in the study of the Incremental Costs of Bilingualism in Ontario Colleges of Applied Arts and Technology, August, 1976, conducted by Price Waterhouse Associates? Should such a response be forthcoming no later than next spring? In particular, will the advisory council establish specific objectives for the bilingualism grants programme?

Answer by the Minister of Colleges and Universities:

Inasmuch as the study "Incremental Costs of Bilingualism in Ontario Colleges of Applied Arts and Technology" discusses methodologies which if applied would relate to funding of the colleges, I have referred this report to the Ontario Council of Regents, since I normally seek their advice on matters relating to funding these institutions.

166. Mr. Warner—Inquiry of the ministry: How does the Ministry of Colleges and Universities intend to meet the general objectives of those universities which are involved with French/English bilingual, bi-cultural programmes, as outlined in the study of Incremental Costs of Bilingualism in Ontario Universities, July 1976? In particular, will appropriate funding, relating costs to objectives, be advailable to meet the following objectives: (a) The provision of educational opportunities to franco-Ontarians in their own language; (b) the protection and development of French culture in Ontario; (c) the furtherance of bilingualism and bi-culturalism in accordance with national aims; (d) the encouragement of students to learn English and French; (e) the encouragement of teaching staff to become bilingual; and (f) the increasing of public awareness as to the bilingual nature of the institutions.

Answer by the Minister of Colleges and Universities:

Since the study "Incremental Costs of Bilingualism in Ontario Universities" discusses methodologies which if applied would relate to funding of the universities, I have referred this report to the Ontario Council on University Affairs since I normally seek their advice on matters relating to funding these institutions.

However, the government has for several years provided additional funding to the bilingual institutions for their special needs in that area. An outline of the current situation related to the specific points raised in the question follows:

(a) The provision of educational opportunities to franco-Ontarians in their own language:

Bilingual grants are provided to the following institutions to fund the extra costs of offering programmes in French. These grants, which are in addition to the amount of grant per student received by the institution for every student, whether French or English, are as follows for 1975-76 and 1976-77.

	1975-76	1976-77	Percentage Increase
Laurentian University	$ 600,000	$ 690,000	15
University of Sudbury	25,000	29,000	15
College de Hearst	20,000	23,000	15
University of Ottawa	2,310,000	2,888,000	25
St. Paul University	25,000	58,000	132
York University, Glendon College	140,000	161,000	15
	3,120,000	3,849,000	23

Special grants for development of new courses in French, based on recommendations from the Advisory Council for Franco-Ontarian Affairs, have already been offered in 1976-77 to bilingual institutions to help them initiate new courses in French.

Laurentian University	$ 50,000
College de Hearst	22,300
York University, Glendon College	32,500
Inter-university study group on Franco-Ontarian facts	33,600
Total	$138,400

According to Ministry of Education data, 3.6 per cent (1,862) of the grade 13 students in 1974 were French-speaking. Based on this percentage, the number of French-speaking students entering universities was roughly 1,380 in 1975. The present range of offerings at our institutions is limited by this student population base. The universities are encouraged to set up viable programmes in French when needs are established. However, there are often difficulties in finding bilingual or francophone professors to teach such courses.

(b) The protection and development of French culture in Ontario:

Although this is within the purview of the Ministry of Culture and Recreation, MCU supports the efforts of post-secondary institutions in this area.

On the recommendation of the Advisory Council on Franco-Ontarian Affairs, the minister has just approved a special grant of $33,600 to five bilingual universities and colleges for the planning, development and launching of a programme of seminars, colloquia and courses entitled Realités Franco-Ontariennes.

(c) The furtherance of bilingualism and biculturalism in accordance with national aims:

The aims of the federal-provincial programmes for bilingualism in education are: (1) To provide an increased opportunity for Canadians of the majority official language group in each province to acquire a knowledge of their second official language; and (2) to provide an increased opportunity for Canadians of the minority official language group in each province to be educated in their first language. The provincial emphasis is directed towards the latter.

The bilingualism grants provided by the province to the universities are larger than the financial assistance received by the province from the federal government in direct support of bilingual post-secondary education. In 1974-75, the bilingual grant to universities totalled $2,818,000 while the federal support amounted to $1,884,000.

Ontario administers all bilingual programmes financed by the federal government, directly or through the CMEC, and for which there is a demand in the province.

(d) The encouragement of students to learn English and French:

There are two main federal-provincial programmes to promote learning of French: (1) The fellowship for studying in French which provides students with up to $2,000 for their first year of studies in French and is awarded on academic merit; (2) the summer language bursary programme which provides $750 to students taking a summer course at an accredited institution.

In addition, the province also administers the second language monitors programme, and special projects to fund non-credit French language courses.

There is little need in Ontario to encourage francophone students to learn English. The immersion in an English speaking milieu is usually conducive to most franco-Ontarians becoming bilingual at an early age.

(e) The encouragement of teaching staff to become bilingual:

The federal-provincial programme of teachers' bursaries was designed to encourage teachers to take summer courses to improve the quality of their teaching, either of French or in French. Fifteen hundred bursaries have been awarded in 1976-77.

(f) The increasing of public awareness as to the bilingual nature of the institutions:

The ministry makes every effort to publicize not only the fact that some Ontario universities are bilingual, but also all federal-provincial and Ontario-Quebec exchange programmes.

Most of the major publications of the ministry are either bilingual or printed separately in each language.

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Third Session of the 30th Parliament



Monday, December 6, 1976

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

MONDAY, DECEMBER 6, 1976

The House met at 2 p.m.

Prayers.

SUPPLEMENTARY ESTIMATES

Hon. Mr. Auld: Mr. Speaker, I have a message from the Honourable the Lieutenant Governor signed by her own hand.

Mr. Speaker: By her own hand, P. M. McGibbon, the Honourable the Lieutenant Governor, transmits supplementary estimates of certain additional sums required for the services of the province for the year ending March 31, 1977, and recommends them to the legislative assembly, Toronto, December 6, 1976.

Mr. Speaker: Statements by the ministry.

RUST PROTECTION WARRANTY

Hon. Mr. Handleman: Mr. Speaker, as most members now are aware, a new standard rust protection warranty is being offered to consumers through the combined efforts of Ontario motor vehicle dealers and my ministry.

An increasing number of complaints, indicating that consumers ran into a brick wall when they tried to obtain redress for a rusted car, prompted the ministry's investigation of the rust protection business several months ago.

Car dealers sold rust protection as a service to their customers, applying a compound supplied by outside agencies which offered their own warranties. If rust appeared, the excuse of the dealer often was that the fault lay in the supplier's material. If the supplier was confronted, the problem was blamed on shoddy application by the dealer. Either way, the consumer was caught in the middle.

Consumers who placed faith in the warranties offered by suppliers soon found these were no guarantee of satisfaction either. The documents often contained so many loopholes as to be virtually useless.

To solve the problem the ministry's motor vehicle dealer branch initiated discussions with both the Toronto and the Ontario Automobile Dealers Associations. The result is a uniform rust-inhibitor service warranty, which all dealers have been requested by their associations to adopt.

They have also agreed to remove the term rust-proofing from all advertising material because it tends to mislead consumers. Rust-inhibiting compounds may offer several years of protection but they do not provide absolute rust-proofing.

The new warranty is to apply for a period of five years or 50,000 miles, whichever comes first. Consumers who have purchased the process from participating dealers will be guaranteed that the underbody, frame and all enclosed parts of the vehicle have been treated correctly.

Consumers must return the vehicle for annual check-ups if the warranty is to apply. This gives the dealer the opportunity to make sure the compound was applied correctly. If rust is found, it is the dealer's responsibility to repair completely or replace the damaged area or part, free of charge.

Dealers bear total responsibility for the rust-protection job even if the compound used is supplied by an outside agency. They are also responsible if they refer customers to an independent rust-protection company for any remuneration. Warranties provided by suppliers may be offered as well as long as the basic consumer rights in the standard warranty are not diminished by disclaimers or hidden phrases.

Discussions with the independent rust-protection companies are still continuing. Some have already agreed to change their approach and adjust their warranties to conform with the standards that now apply to dealers.

The ministry has reached mutual agreement with the industry on this warranty. It provides consumers with a reasonable standard of protection and ensures that dealers will live up to their responsibilities in the rust protection field.

Mr. Speaker, now for the bad news.

FINANCE COMPANY SOLICITATIONS

Hon. Mr. Handleman: The Christmas season has always been a favourite time of

year for some members of the community to take advantage of the general feeling of good will among consumers. I would like to take this opportunity to warn members and the public at large of one such scheme which came to my attention yesterday.

A major finance company is distributing to its so-called preferred customers a promissory note which is labelled as a cash voucher.

I would like to read the letter accompanying this promissory note.

"Dear Customer: Enclosed is a voucher in your name which is good for $506.94. Just sign the voucher and return it in the enclosed self-addressed envelope. You will receive your cheque for $506.94 by return mail."

Mr. Moffatt: Sounds like a home buyer's grant.

Hon. Mr. Handleman: "That is all there is to it. No office visits required. No red tape. No additional forms to fill out. Simply sign the voucher and return it to me. This offer is made to you as one of our preferred customers. So return your signed voucher today and you will receive a cheque for $506.94 in the earliest return mail possible. You can be sure of my personal attention."

Mr. Lewis: Absolutely incredible.

Hon. Mr. Handleman: "Best wishes for a happy holiday season. P.S. Act now. Remember you only have 15 days to send in the voucher. Also, if you need a larger loan, call me personally."

Mr. Lewis: Come on.

Mr. Moffatt: Is that signed by the Premier?

Hon. Mr. Handleman: The overall effect of this representation could mislead the consumer into supposing this is an offer of special benefit to him when in fact it is an offer of a loan at an effective annual rate of interest of 21.5 per cent.

There may be nothing specifically illegal about this solicitation although my lawyers are looking at it carefully.

Mr. Lewis: It sure is misleading.

Hon. Mr. Handleman: Not every immoral action is illegal. But if we cannot proceed under statute, I will ask the company to withdraw this campaign voluntarily. One way or another, it must be stopped.

If members of the business community wonder why they are plagued by consumer legislation they need only look to actions of this kind which cry out for a response from government.

I urge members of this House to draw any further solicitations of this kind to my attention.

Mr. Moffatt: What is the name of the company?

Mr. McClellan: The name of the company.

Mr. Lewis: On a point of order, because I don't want to take the question period time for this, Mr. Speaker, do I understand that the minister prefaced his statement with an indication that he wanted to bring to the attention of the public one such solicitation, taking advantage of Christmas cheer? Does the Speaker not think it would assist the House if we and the public were told the name of the finance company he is speaking of?

Mr. Singer: That's not a point of clarification or order or anything else. How about calling him to order?

Mr. Lewis: Yes, it is. Certainly, it is.

Interjections.

Mr. Speaker: Order, please. Any further questions should be directed during the question period.

Interjections.

Mr. Lewis: On a point of order, Mr. Speaker.

Mr. Singer: Why doesn't he ask it in question period the same as everybody else?

Mr. Speaker: I really don't think it's a point of order.

Mr. Lewis: I was trying to raise a point of order, whatever the barracking. I don't think it should be necessary for us to take time during question period to ask a question which should have been answered when the statement was made.

Mr. Singer: Nonsense. There is not one set of rules for him and another for somebody else. Call him to order.

Mr. Lewis: Now, what kind of silliness is that?

Mr. Speaker: Order, please. If there is an answer to it or if it is a general warning—

Hon. Mr. Handleman: If I might speak on the point of order—

Mr. Singer: It is a question of whether he is in order or not.

Mr. Foulds: Is the company one of the clients of the member for Wilson Heights?

Mr. Speaker: Does the hon. minister have a further comment on that?

Hon. Mr. Handleman: Mr. Speaker, on the point of order, what I was trying to bring to the attention of all members and the public at large is that this kind of solicitation is taking place and that we would like to put a stop to it.

Mr. Speaker: That was my understanding.

Mr. MacDonald: Name them.

Mr. Singer: Now we've got a debate going on between the Leader of the Opposition and the minister, before the orders of the day.

Hon. Mr. Handleman: If anybody wishes to ask me, I'd be prepared to identify the company.

Interjections.

Mr. Speaker: Oral questions.

Mr. Breithaupt: Ask him what the name is.

FINANCE COMPANY SOLICITATIONS

Mr. Lewis: To the Minister of Consumer and Commercial Relations: Would he like to share with the Legislature and the public, whose transactions and misleading solicitations he has described?

Hon. Mr. Handleman: First of all, I don't know yet whether they're misleading in terms of our legislation. The company under whose letterhead this solicitation is made is Household Finance Corporation.

Mr. Lewis: Thank you.

Mr. Reid: Why didn't the minister say that in the first place?

OCCUPATIONAL HEALTH

Mr. Lewis: May I address a question first to the Minister of Labour? Do I take it the Minister of Labour knows of the unprecedented and welcome letter from Dr. William McCracken of the Workmen's Compensation Board to the medical profession, where Dr. McCracken actually solicits information from the profession on industrially-generated diseases? I think it's the first time it's ever happened with the board. Can we ask her, following on from this, to see whether the board would initiate the second phase, which is to track down those workers in industries who may have been exposed to industrially-generated disease and will subsequently fall ill?

Hon. B. Stephenson: The action taken by Dr. McCracken was with the co-operation of the general secretary of the Ontario Medical Association. It is a move further than has ever been taken, I think, by a medical director of the Workmen's Compensation Board, in earlier days and it will be a very useful activity. It is my hope that the occupational health division or branch of the Ontario Medical Association will spearhead the responses to this request.

In response to the second question posed by the hon. Leader of the Opposition, it seems to me the initial activity which is necessary is to find out from every single industrial establishment in this province the history of those chemicals which have been used and those chemicals which are being used at the present time. The Ministry of Labour itself has taken that on as the initial move in the direction which he is suggesting; that has already been done.

Mr. B. Newman: Supplementary: Would the minister require all manufacturing companies in the province of Ontario to submit a list to her every time they order any type of chemical, so that she would have a complete list of the chemicals ordered by that company at the time of ordering them?

Hon. B. Stephenson: Most industrial establishments are aware, as a result of their long-range planning, of the kinds of chemicals which they are likely to be using within the foreseeable future, and we have asked them to give us full information about those which they have used in the past, are presently using and will probably be using in the future.

Mr. Lewis: Supplementary: Since the board has now moved in this important way, might it not also look at those industries where there is a clear incidence of occupationally-related disease—the Reeves Mine comes to mind—and begin to track down workers who may have had undue or excessive exposure since we are finally transforming the role which the board has seen fit to play up to now?

[2:15]

Hon. B. Stephenson: This is a very desirable activity and one I believe the board

wishes to carry out. There are some problems related to it. The development of nominal roles in the asbestos industry, for example, is inhibited somewhat by the mobility of the workers from that area and our apparent inability to receive from other Workmen's Compensation Boards and other agencies the kind of information which would be useful. A great deal of thought is being given to that specific activity and I am sure something of that sort will be established.

Mr. Godfrey: Will the minister now initiate an inquiry from Chipman Chemicals Limited in Hamilton about workers who have been exposed to leptophos over the past 10 years?

Hon. B. Stephenson: The Chipman Chemicals company has informed us that it is using leptophos in the trade name variety, Phosvel, which it acquires from a distributor in Mississauga, known as Velsical Corporation of Canada. Apparently this material is used to kill cutworms on tobacco plants, primarily. It is shipped out in 300-pound containers which are sealed and which consist of flakes. I gather for the tobacco industry it is mixed with xylene and sprayed.

The workers in that plant specifically have been under the supervision of The Industrial Safety Act and the industrial safety inspectors have been in the plant. I believe the last time was in March or April of this year. At that time no directions were left because this particular chemical company has such a good health and safety record. Instead of being on a six-month cycle for inspection they are now, I think, on a 12-month or even a 24-month cycle, because their record is excellent.

All of the workers have been supplied with complete protective equipment—coveralls; rubber aprons; rubber boots; masks; goggles; hats; gloves—and they have had no problems at all because Dr. Strickland has tested most of the workers who have been involved with that drug. Specifically, at the Hamilton General Hospital, they have had cholinesterase tests done with some regularity and there is no evidence at all of any abnormality.

Mr. Lewis: A question related to that, to the Minister of Agriculture and Food, if I may. Is the minister aware that the United States federal government has refused to issue a licence for the use of leptophos as an agricultural pesticide? Will his ministry and the Ministry of the Environment give serious consideration to removing leptophos as a pesticide in use, I guess it is, under schedule 2 for agricultural purposes in view of the information coming from the United States about the very severe nerve damage done to some who are exposed to that pesticide?

Hon. W. Newman: Yes, Mr. Speaker, I'll be glad to talk it over with the Minister of the Environment (Mr. Kerr).

Mr. Lewis: And then perhaps report back to the House?

Hon. W. Newman: I really think the answer should come from the Minister of the Environment but I will discuss it with him.

Mr. Lewis: May I ask, by way of supplementary, has the minister been made aware of the potential hazards associated with leptophos? Has anything come to his attention?

Hon. W. Newman: It has come to the attention of the ministry and I was aware of it but I wasn't aware of the total effects of using it.

FUNDS FOR MENTALLY RETARDED

Mr. Lewis: If I may, a question for the Minister of Community and Social Services. Is it possible for the minister to comment on the letter he received, dated November 18, from the Georgian Bay Council on Mental Retardation, drawing to his attention the absence of government support of a number of light skills programmes put forward by community groups—with implicit or explicit approval from the ministry, though no funding—from Owen Sound, Port Elgin, the Dufferin area, Orillia, Collingwood, Barrie and Walkerton? Can he give some explanation about the delay within the ministry?

Hon. Mr. Taylor: I would be happy to share with the Leader of the Opposition my response to that particular matter. I will see that he gets a copy of that.

Mr. Lewis: By way of supplementary, if I may, was the minister not aware of the very strong concern being voiced by the Georgian Bay Council on Mental Retardation at the delay in approval of projects which were discussed with the ministry, sometimes as far back as July and August and left hanging until today, describing therefore how the feeling among those responsible for finances in the workshops has turned from optimism in 1975 to depression, et cetera?

Hon. Mr. Taylor: This is a continuation of some comments I made last week. As the Leader of the Opposition knows, or should know, all of the projects that are desired in an area are discussed not only with the local Association for the Mentally Retarded but

through the district working groups, and we have 19 such district working groups now in place in Ontario and functioning very well.

May I also say what we did in my ministry—and I may say I've ensured that it was so—was, with the money that is provided in the budget, we set forth goals in terms of number of places or additional places in workshops, accommodation places and so on. Those statistics are all available and I'm happy to say that we are really in advance of our target.

In general terms, we are really exceeding our expectations in regard to providing more places in workshops and more accommodation. As I explained last week, there were some problems in regard to financing some things, principally workshops. That was due, I think principally, to an expansion of their programmes without prior consultation or approval from the ministry which meant, of course, an adjustment of their budgets. Their budgets were approved and they may have surmised that they could proceed with an expansion of the programme, whereas their budget only accommodated the existing level of programme.

Mr. S. Smith: I have a brief supplementary. This question was asked last week. Has the minister yet found out why it is that the monthly salary money has not been received by some of these workshops, in particular the one in Alexandria, which I drew to his attention last week? Does he have an answer on that yet?

Hon. Mr. Taylor: Again, with the individual workshops—and I believe we have 138 in Ontario—it's difficult to deal with those in the question period other than the individual one. May I say that what we have done, and again I ensured this, was to accommodate the operation of workshops and other programmes to providing regular monthly payments as opposed to payment upon submission of claims. I thought that would ensure an orderly cash flow and assist the operation of these programmes.

Mr. Gaunt: Supplementary: Is the minister aware that the delays apply not only to workshops in operation in asking for increases but they also apply to new workshops—specifically I can give the minister one, the new workshop in Wingham, where the delay was over a year—and is the minister prepared to take a look at the procedures in respect to the rehabilitation branch in his ministry to see whether it couldn't be streamlined, because even the regional people are getting discouraged?

Hon. Mr. Taylor: May I say that not only was I prepared to take a look but I did, in fact, take a look and have streamlined the internal operation that was actually divided between the two parts of the ministry, the part dealing with the developmental side, that is the side pertaining to mental retardation, as opposed to the other resources. We have combined that now and I think members will see much better progress in terms of tying these programmes together and expediting the clearance or approvals of them. I want the member to know I'm most mindful of the problem that did exist and I think we've resolved that now.

Mr. McClellan: Do I understand the minister to say, or is my understanding correct, that at least in some of these cases, for example, Owen Sound, the budget was cleared by ministry officials at the local level who gave approval but not by the ministry here in Toronto? If that is the case, what is happening within his ministry to cause this kind of confusion between the local office and guidelines coming from the centre?

Hon. Mr. Taylor: No, I hope the member did not understand me to say that because I hadn't said that.

CULTURAL AGENCIES' BUDGETS

Mr. Lewis: I just want to ask one brief question of the Minister of Culture and Recreation, speaking to his philistinism. May I ask the minister why he's taking such a particularly hard line towards a number of specific cultural agencies, quite apart from the 95 per cent level which I'm sure he can explain to the House, in subtracting what they are able to elicit from the public from what the government will give them? That's an unusual policy. What brought the minister to that?

Hon. Mr. Welch: I'm very pleased that the Leader of the Opposition has raised this question because it provides me with an opportunity to correct some misunderstanding which the story writer obviously shares.

Mr. Singer: I happen to have 10 pages here.

Hon. Mr. Welch: Actually, it's not unusual at this particular time of year that we would be discussing the next fiscal year. We're going through the budgetary process and we've invited our agencies to share in this particular consideration by submitting their requests to us in a certain form. We're par-

ticularly interested in their revenues as well as their requests with respect to overall spending.

I think the story, particularly as it relates to private donations, is misunderstood because some of these agencies are supported partially from the private sector for specific projects and wouldn't be interfered with in any way. We are interested only as they would relate to general operating expenses and, therefore, we wanted a breakdown with respect to other sources of revenue in this way.

Under the circumstances, I feel it's very misleading to suggest the minister has either been hard or unreasonable because all that's going on at the moment is the budgetary review in order that I might have the information I need with respect to their priorities when it comes time to present my budget for the consideration of my colleagues.

Mr. Singer: Supplementary: I wonder if the minister could advise us if it is in fact correct, as the newspaper article suggested, that in his talks with various agencies—the gallery, the museum, Science Centre and so on—he cautioned them that these talks, or the five per cent deduction, should not be made public? Is that in fact correct?

Hon. Mr. Welch: Certainly near the end of the meeting, I shared with the agencies that it would be difficult if they were to do their job properly if they did not fully disclose the results of our meeting with their respective boards; that if there was to be any publicity given to this it would be very important that all the facts and figures, all the information, be shared and that might be difficult at this stage.

I even went so far as to suggest that if they weren't careful with respect to the information that was being given to them, they might well expect within a few days to see headlines saying: "Welch has cut budgets five per cent."

Mr. Breithaupt: And that is what they got.

Hon. Mr. Welch: Interestingly enough, that's exactly what happened. I think that's very unfortunate.

Mr. Foulds: Supplementary: In order to clear up this unfortunate situation, would the minister be prepared to table in the House the letters that he has subsequently sent out to the agencies as a result of his meeting and that are referred to in the article?

Hon. Mr. Welch: Inasmuch as the partial contents of these letters have now been made public, there'd be every reason to table the letter which I made available to the chairman of each agency at the conclusion of that meeting. I'd be very glad to do that.

OHTB BUS LICENCE

Mr. S. Smith: A question for the Minister of Transportation and Communications: Is the minister aware and can he explain why it is that in 1961 the Ontario Highway Transport Board ruled against Greyhound's application to overrun the area that's covered by Gray Coach Lines and listed as part of their reason for ruling against it: "The board accepts the evidence that it feels the profitability of the operation of Gray Coach between Toronto and Sudbury would be adversely affected if this application were granted?" What has happened since 1961 and why should there be such a fundamental change now?

[2:30]

Hon. Mr. Snow: As the Premier has just stated, 15 years have gone by since 1961.

Mr. S. Smith: He obviously didn't take his math under the Minister of Education (Mr. Wells).

Hon. Mr. Davis: That's the old math.

Hon. Mr. Snow: I'm not aware of the full background of any decision made in 1961. I'm not saying that after considering an application at that particular time that may—I accept the fact that that probably was the decision of the board at that time.

Mr. Warner: You didn't have Eddie Goodman for a lawyer then either.

Hon. Mr. Davis: He is not writing editorials.

Hon. Mr. Snow: A lot of things have happened in public transportation since 1961. A lot of applications have been made to the Highway Transport Board, both in the trucking industry and the bus industry. What may have been a very valid point in 1961 I don't think would necessarily be as valid or more valid in 1976.

Mr. S. Smith: By way of supplementary: Given that this is a fundamental change from the franchising method of dealing with bus services up to now, why would the minister set up a select committee to look into regulated trucking and the licensing thereof yet allow one or two men—which is all it was—

to make this decision which is a fundamental change in franchising operations in the province of Ontario?

Mr. Haggerty: Loss of jobs affected too.

Hon. Mr. Snow: I do not accept that it is a fundamental change. There is no way that I can see by which the members of the Highway Transport Board have made any change in policy.

Mr. S. Smith: Where else is there an overrun?

Mr. Reid: Come on.

Hon. Mr. Snow: They look at applications before the board based on the public need and necessity for service as they do in applications for licences for the hauling of goods or the transportation of passengers.

Mr. S. Smith: By way of supplementary—

Mr. Speaker: The member for York South with a supplementary.

Mr. MacDonald: May I ask the minister, is it or is it not government policy that a public transportation company such as Gray Coach should be able to make profits on one line in order to have the financial resources to extend lines into non-profitable areas in the province? If that is government policy, why does a quasi-judicial body like our Highway Transport Board not have to operate within the framework of that policy?

Mr. Warner: Right on.

Hon. Mr. Snow: I don't think there is any policy which states that any bus company, whether it be Gray Coach or any—

Mr. Reid: Just say there isn't any policy.

Hon. Mr. Snow: —other operator, has to operate certain lines at a profit and other lines at a loss. There is no policy which says any company has to operate certain lines at a loss and subsidize them from other lines.

Mr. MacDonald: Supplementary—

Mr. Reid: Supplementary—

Mr. S. Smith: Supplementary—

Mr. Speaker: Order, please. We can't pursue these points too far. We're into a debate. The member for Hamilton West, with a further supplementary on this.

Mr. S. Smith: Yes, that's right. Since the minister answered my previous question by saying it doesn't represent a change in policy to have another company overrunning a major route presently held by one company, can he please list for this House other major routes between major centres in the province of Ontario which are presently being overrun by another company on the same route? Clearly that's a change in policy.

Hon. Mr. Snow: I don't think that indicates a change in policy at all. I don't believe there is—

Mr. Nixon: It certainly does.

Mr. Reid: You have destroyed the whole concept of franchises.

Hon. B. Stephenson: When did Gray Coach have a franchise?

Mr. S. Smith: We are for Gray Coach.

Mr. Speaker: Order, please.

Hon. Mr. Snow: I have trouble in comprehending the position of the Liberal Party in this particular case. We have discussed trucking and when one looks at the recommendations of the select committee and one looks at the points made by members of the Liberal Party in previous debates in this House, from what I have seen, they have been totally in support of having more competition in the industry.

Mr. Cunningham: With common sense.

Hon. Mr. Snow: Now, in this particular case, they are against competition all of a sudden.

Mr. S. Smith: It is a change in policy.

Mr. Speaker: A final supplementary. The member for Durham East.

Mr. Moffatt: Mr. Speaker, would the minister agree there is a difference between transportation of goods and transportation of people and that he cannot, in fact, make the two policies work exactly the same way for the two different areas?

Mr. Nixon: Not in his mind.

Hon. Mr. Snow: I think I would have to agree, certainly, that there is a difference in the two Acts—

Mr. Moffatt: For the two committee areas.

Hon. Mr. Snow: —but I think the basic principle of the two Acts is supplying a proper service to the people of Ontario, whether it be for the transportation of passengers or the transportation of goods.

Gray Coach Lines has had the opportunity for many years to improve its service and to meet the needs of the travelling public over these particular routes if it had wished to do so. It has not done so, in the opinion of the board, as I read the decision, and the board has decided that with the increase in traffic there should be additional service on those routes.

Mr. S. Smith: I would like to ask a question of the Premier on this same topic. Does the Premier not agree that the effect of this Highway Transport Board decision, in addition to making fundamental policy which should be the role of the government, is substantially to give away a $10-million asset belonging to the public, giving it away to a private American-controlled giant? Does he not substantially agree that this is what is happening?

Hon. Mr. Davis: No, Mr. Speaker. I don't want to disappoint the member for Hamilton West. There are some things about this that, if it comes to cabinet, we will be discussing and that I am interested in, but I would have to say to the hon. member for Hamilton West that I just do not agree with his supposition in this particular instance.

Mr. S. Smith: By way of supplementary, would the Premier not agree, from his considerable experience in the business world, that two lines which are producing approximately $800,000 in profit annually, should they substantially be unusable by Gray Coach after a year or so of this division of the number of passengers between themselves and Greyhound, given the fact that Greyhound can run express and Gray Coach is forced to run local, if that $800,000 is lost annually, would the Premier not say that's equivalent to approximately an $8-million to $10-million asset that has been taken out of public hands and put in private hands, American-controlled?

Hon. Mr. Davis: Mr. Speaker, drawing on my considerable experience in the business community, my answer to that would be not necessarily so.

Mr. S. Smith: That's why you won't handle my account.

Hon. Mr. Davis: Well, it's a silly question.

Mr. Foulds: Well, you didn't have to give a silly answer.

Hon. Mr. Davis: Ask the member for London South (Mr. Ferris).

Mr. Deans: It's not really all that silly.

Mr. Lewis: Supplementary to the Premier: Is the Premier aware that Michael Warren, a man once much revered in the Conservative ranks—

Hon. Mr. Davis: Now, that's not true.

Mr. Lewis: Was he not much revered?

Hon. Mr. Davis: He was a public servant.

Mr. Lewis: That's what I mean, much revered.

Hon. Mr. Davis: By yourselves as well.

Mr. Lewis: By everybody, but by you as well. My apologies.

Mr. Speaker: Does the hon. member have a question?

Mr. Lewis: Michael Warren, a man who had an ambivalent position in the ranks of government but is now heading the TTC—is the Premier aware that Mr. Warren has said the duplication of routes granted by the transport board to Greyhound will result in the necessary curtailment of rural routes and other routes by Gray Coach? He even named them; he said places like Owen Sound—

Mr. S. Smith: And Shelburne, Wiarton.

Mr. Lewis: —and Alliston and so on—in western Ontario, and that, therefore, what we have effectively done is to skewer the excellent service to certain areas of Ontario provided by Gray Coach. Can the Premier not allow for a cabinet rehearing from Gray Coach and the union and the TTC before there is any discussion?

Hon. Mr. Davis: Mr. Speaker, I certainly am not going to debate the view of the head of the TTC at this moment. As regards an observation by Mr. Warren that, because of a certain situation on two runs, Gray Coach is going to reduce its service on other runs—with great respect to Mr. Warren, I don't believe that necessarily has to be the case.

Mr. Warner: Give them further subsidy.

Mr. Reid: You don't know the economics of the situation.

Hon. Mr. Davis: Listen, I confess to a vested interest in this. Gray Coach comes right by my door and I am very interested—

Interjections.

Hon. Mr. Davis: So does the GO service. I mean a lot of people go right by—a lot of

them drop in too. Gray Coach doesn't, although it stops right across the road.

Mr. Warner: Does the Greyhound stop?

Hon. Mr. Davis: My mother uses it fairly regularly, so there is no way that I want to see Gray Coach service reduced. But I do say—and I say this without being facetious at all—that I understand observations of that kind in the heat of the debate that is going on. I think it is understandable that when any company, whether it's a public company, whether it's transportation of people or merchandise, when they see competition facing them, they're going to try to draw the bleakest picture. This is human nature.

Interjections.

Hon. Mr. Davis: This is obviously part of the approach of some people on this issue. I just say to the Leader of the Opposition, despite the implication that Gray Coach will have to reduce their service to other parts of the community because they may be faced with competition on two particular runs, I say with respect this does not have to happen.

Mr. Reid: They are the only one. Supplementary, Mr. Speaker—

Mr. Speaker: Order, please. May I just point out we're branching out into all sections of this whole area.

Mr. Reid: This is right on.

Mr. Speaker: No. Order, please. The hon. leader's question had to do with the effect of the decision in changing the ownership and the interest from Canadian to US; that was the basic part of it at least. We're getting into the whole question of the whole transaction and we should keep it much narrower. I'll hear the member for Rainy River.

Mr. Reid: Thank you, Mr. Speaker—I don't know how I'm going to work this in!

Mr. Speaker: You promised it was right on.

Mr. Reid: But I'm following my leader's question. Would the Premier not agree it's a responsibility of the cabinet and the government to set government policy in regard to transportation in the province of Ontario, rather than an appointed Highway Transport Board?

Hon. Mr. Davis: I think it's the responsibility of government to do many things—

An hon. member: Do something.

Mr. Reid: Could I have a yes or a no?

Mr. Speaker: Order.

Hon. Mr. Davis: —and one of the responsibilities of the government is to see that the consumer interest, the rights of people, whether they want to be transported by bus, train, automobile or what have you—

Mr. Reid: Who sets the policy?

Hon. Mr. Davis: —are as adequately looked after as possible. I don't argue that for a moment. That is part of our responsibility and we discharge it, I think, relatively well.

Mr. Reid: Who sets the policy?

Hon. Mr. Davis: If what the member really is saying to me is that the policy should be—as he or his leader would like to have it, but not the member for London Centre (Mr. Peterson)—that there be a total monopoly for some situations—

Interjections.

Hon. Mr. Davis: —and that's really what they are suggesting—and that never any consideration be given for competition, whether it be for the transportation of goods or people, once again, I would have to say that I don't think that should be a policy.

Mr. Reid: Have you so directed the transport board?

Mr. Conway: You are out of order and you know it.

Hon. Mr. Davis: If you are saying there should be a total monopoly in perpetuity.

Mr. Reid: I am not saying that. I'm just asking who is running the thing.

Hon. Mr. Davis: Oh, but that is what the member is saying. That's what the member is saying and I'm saying I think that would be an erroneous policy.

Mr. Speaker: Order please. I think there is a new question. The member for Hamilton West.

Mr. S. Smith: A new question on the same topic to the Premier: Since he regards as silly my previous question pointing out that the threatened loss of an $800,000 annual income is equivalent to the loss of a $10-million asset and since he just said that my policy was to keep franchising—

Mr. Speaker: Your question, please?

Mr. S. Smith: —as a reasonable policy, is also silly, would the Premier like to comment on this memorandum from the Treasurer (Mr.

McKeough) to the Minister of Transportation and Communications in which he points out that "bus services have always been controlled to maximize benefit to the public"? He goes on to say: "The reference to free enterprise has bothered a number of present bus line owners, and I can appreciate their view." The Premier knows that this has been the policy in this province—

Mr. Speaker: Is this part of the question?

Mr. S. Smith: —why is it changing and why is it not the government or a select committee that's doing the changing?

Hon. Mr. Davis: Mr. Speaker, with great respect, as the Minister of Transportation and Communications has explained, it does not represent a change in policy.

Mr. Reid: It does.

Mr. S. Smith: The Treasurer thinks it does.

Hon. Mr. Davis: The member for Hamilton West has every right to question the judgement of the Ontario Highway Transport Board; that's fair. But I have to say to him, with respect, I know of no policy that has been laid down by this government that says that John Jones, Henry Smith or Mr. Lewis cannot apply to the Ontario Highway Transport Board for a right to carry passengers or goods and services as long as they comply with the Act. So for heaven's sake understand what the Act provides. Now if you want to dispute—

Interjections.

Mr. Speaker: Order, please.

Mr. Reid: Can you name one other that's been granted?

Mr. S. Smith: There have never been overruns before.

Interjections.

Hon. Mr. Davis: With great respect, there are many instances where franchises and licences have been issued—

Interjections.

Hon. Mr. Davis: Listen, we have overruns in railway transportation.

Mr. S. Smith: It's not those we are talking about.

Hon. Mr. Davis: All right, but listen: There are other boards who grant, shall we say, rights to transport passengers by rail. There have been overruns. In other words, we have two national railways, believe it or not, in this country, and some of them carry passengers through the same community.

Mr. Nixon: That's weak.

Hon. Mr. Davis: I would just say to the leader of the Liberal Party that I know he would like to provoke me into some, shall we say, definitive statement, and I've explained to him—

Interjections.

Mr. Reid: That would be a change in policy.

[2:45]

Hon. Mr. Davis: I just say to the member for Hamilton West, don't ask me the time of day. He knows how long that would take me to answer. But I just have to tell him, as I have tried to explain to the members of this House—and I ask him to seek a little advice from the member for Wilson Heights and the member for Kitchener who are always so careful to look after the legal niceties and the appropriateness or otherwise of making decisions, pending appeals—for me to comment in any specific nature as to this particular situation until it is dealt with by cabinet, if it reaches cabinet, would be totally inappropriate. I have got to say to the member for Hamilton West, in that he was sort of suggesting that somebody had been in touch with the chairman or members of the board as it relates to this decision, we don't believe that that's an appropriate way of doing business either.

Mr. Nixon: Of course he didn't make any such suggestion.

Mr. Speaker: Order, please. May I point out that there have been 15 minutes of each of the lead-off set of questions and 30 minutes have now expired? Are there further questions?

PICKERING NUCLEAR GENERATING STATION

Mr. S. Smith: I have one more question please, Mr. Speaker. A question for the Minister of Energy: In view of the comments quoted from a book, Nuclear Energy: The Unforgiving Technology, quoted in today's Globe and Mail, could he tell us whether there is a secret document called the Pickering Safety Report and whether that particular document does indicate, as suggested here, that during periodic clean-up of

Pickering boiler room concentrations of radioactivity as high as 200 times the maximum permissible were detected and that concentrations higher than maximum permissibles were traced up to two miles away from the reactor? Is that true? Is there such a report and would the minister please table it if it does exist?

Hon. Mr. Timbrell: I haven't had a chance to read that article so I am not familiar with the section quoted by the member for Hamilton West. If he will afford me the opportunity to look into that, I will report back.

WINTARIO

Ms. Bryden: I have a question for the Minister of Culture and Recreation relating to what appears to be an unannounced change in policy on equipment grants to the minor leagues which provide team sports for many Ontario youngsters. In recent years these teams received a number of items of equipment free from the office of the athletic commissioner but this year they were informed, I understand, that the budget for that office no longer existed and they were referred to Wintario. Up until October—

Mr. Speaker: Order, please. I think the member can ask the question right away.

Ms. Bryden: I have to give the background, Mr. Speaker.

Mr. Speaker: Very briefly.

Ms. Bryden: Up until October, I understand that the teams were receiving equipment or the cash equivalent on somewhat the same basis as they used to get from the office of the athletic commissioner.

Mr. Reid: Is this a statement?

An hon. member: She's coming to it. Just wait.

Ms. Bryden: But since October 1, I understand they have been told they must provide 50 per cent of the retail value of this equipment. Can the minister tell me, is this correct and, if so, how does he justify this change in policy to these leagues which have additional costs for ice time and everything else, while now he is asking them to put up 50 per cent for the equipment they used to get free?

Mr. Conway: It sounds like the Premier's response.

Hon. Mr. Welch: There are two points to be covered here. The equipment allocations from the office of the athletic commissioner were fairly nominal insofar as the number of items that were sent forward. Thanks to Wintario we have been able to enrich that programme and, notwithstanding the sharing principle, provide far more for the teams than was originally the case. The programme has been modified further. Instead of actually sending out the equipment, we sent out the cash equivalent so that teams can make these purchases in their home areas, which I think is fairer to the retailers in those areas.

Ms. Bryden: I wonder if the minister could provide us with lists showing what equipment teams used to get under the old scheme and what they are getting now, because I understand from a great many of them that they are actually getting less.

Hon. Mr. Welch: That's a very reasonable question and I would be prepared to provide some comparisons.

Hon. Mr. Davis: Our teams are getting lots of lacrosse sticks.

Mr. Lewis: Everything comes to Brampton.

AIR POLLUTION AT NIAGARA FALLS

Mr. Kerrio: In the absence of the Minister of the Environment, I'd like to direct this question to the Premier.

Is the Premier aware that an iron oxide fallout from the Niagara Metals plant which has been experienced in the Niagara Falls area has led the company's insurance representatives to attempt to get the residents in the area to sign releases from damages which may arise from this fallout? I wonder if the Premier would discuss this with his minister and find out if such is the case?

Hon. Mr. Davis: Mr. Speaker, I will be delighted to discuss this, at the request of the member for Niagara Falls, with the Minister of the Environment. It may be Wednesday before I am able to do so but I would be delighted and either he or I shall report to the House.

Mr. Kerrio: A supplementary, please. In the discussion the Premier has with him, there is one matter which seems to be rather urgent. Would he please ask the minister if there is any health danger associated with this fallout, and whether the minister will lay charges against this plant since a violation notice has been served?

Hon. Mr. Davis: Mr. Speaker, in my supplementary conversation with the minister I will raise the supplementary question.

Mr. Conway: Such generosity.

Mr. Swart: May I ask the Premier if he would also investigate the legality of forms which the company has asked area residents to sign which, for a small payment, would make the company harmless in any future action?

Hon. Mr. Davis: Mr. Speaker, I don't want to mislead the House. I don't think I really said I would personally look after the two issues raised by the member for Niagara Falls. I think I agreed to discuss it with the minister and ask him to report to the House. I would say the same to the member for Welland-Thorold. I will raise that matter with the Minister of the Environment as part of the original question from the member for Niagara Falls.

Are there any other chores?

DRG GLOBE ENVELOPES LIMITED

Mr. Grande: My question is to the Minister of Labour. Is the minister aware of the working conditions at DRG Globe Envelopes on Queen Street? In the afternoon shift, between 4 p.m. and 12 a.m., the employees are allowed only a 10-minute break between 6 p.m. and 9 p.m. to eat their lunch. Further, when the machines are running, the employees have to find somebody else to replace them at the machines; if no one is found the employee does not eat. Is this not a clear violation of The Employment Standards Act?

Hon. B. Stephenson: Mr. Speaker, I am not aware factually of the conditions in that plant and I will certainly investigate them. If we find they are in violation of The Employment Standards Act, they will be investigated and prosecutions will take place. At the present time I have no knowledge that those items as listed by the hon. member are factual.

PRICES AT HIGHWAY SERVICE CENTRES

Mr. Spence: I have a question for the Minister of Transportation and Communications. Is the minister aware that service centres along Highway 401, licensed and leased by the Ontario government, charge as much as $18 for less than an hour's labour? I have a letter and receipt to that effect which I will be glad to forward to the minister if he so wishes.

Hon. Mr. Snow: Mr. Speaker, I am not particularly aware of the particular service centre which may have charged $18 for an hour's labour. I am not sure that we would have control over that particular aspect of the business.

Hon. Mr. Davis: That is more than we make.

Mr. Reid: Everybody makes more than we do.

Hon. Mr. Snow: I recall that last week I personally got an invoice from a service man, for less than one hour's labour which cost me $24.

Mr. Cunningham: Did he know who you were?

Mr. Conway: That would make a small dent in your millions.

Mr. Spence: A supplementary: Will the minister have his officials look into this case in which a constituent was charged $18 for changing a tire and installing a new one?

Hon. Mr. Snow: If the hon. member will send me the information, we will certainly look into it.

DRUGS MAGAZINE

Mr. Swart: My question is to the Attorney General. He will realize it is more than four weeks since I first raised the issue of the drug-pushing magazine, High Times, and exactly four weeks since he said he would try to report to the House on it. Has he had the opportunity to do any investigation on this, has he had any discussion with the federal government, and can he report to the House today?

Hon. Mr. McMurtry: This matter has been reviewed in some detail by my ministry. We have been in contact with the federal government, and I can assure the hon. member opposite that I will have a fairly significant statement to make before the end of the week. I prefer, in the public interest, not to say anything further at this time, but I will be reporting to the House before the end of the week.

Mr. Conway: Always significant.

Mr. Singer: Significant?

Hon. Mr. McMurtry: That's right, significant. Not that you'd know the difference.

Mr. Reid: It's another headline.

COMMERCIAL FISHING REGULATIONS

Mr. G. I. Miller: I have a question for the Minister of Natural Resources. As he is aware, 12 of our fishermen in Port Dover were fined last week and have had their licences suspended because of the fact they were making an orderly attempt to prove the fish in Long Point Bay were of a smaller size than they are in other portions of the lake. In that $40,000 was set aside to assist in this study, I wonder if the minister is aware that none of those fishermen has received any money to this point in time. I was of the understanding that they were to receive some payment.

Hon. Mr. Bernier: It was my understanding that these Port Dover fishermen would be used in our experiment to gather further data in that particular area. I will certainly check into it and report back to the hon. member directly.

Mr. G. I. Miller: Supplementary, Mr. Speaker?

Mr. Speaker: The question period has expired.

Petitions.

PETITION

Mr. Kerrio: Mr. Speaker, I beg leave to present a petition from 97 citizens of the Ramsey Road-McLeod Road area of Niagara Falls who are concerned about the objectionable emissions from Niagara Metals Limited.

Mr. Speaker: Presenting reports.

Motions.

MOTIONS

Hon. Mr. Welch moved that the supplementary estimates of the Office of the Assembly, the Ombudsman and the Provincial Auditor be referred to the miscellaneous estimates committee.

Motion agreed to.

Hon. Mr. Welch moved that the time for the presentation of the final report of the select committee on highway safety be extended to April 29, 1977.

Motion agreed to.

Mr. Speaker: Introduction of bills.

WORKMEN'S COMPENSATION AMENDMENT ACT

Mr. Lupusella moved first reading of Bill 182, An Act to amend The Workmen's Compensation Act.

Motion agreed to.

Mr. Lupusella: This bill provides for a 10 per cent increase in the amount payable on award for a permanent disability as of December 1, 1976, and, as of the same date, the introduction of an annual increase in that award, based on the current consumer price index for Canada.

[3:00]

ANSWER TO WRITTEN QUESTION

Hon. Mr. Welch: I wish to table the answer to question 154 standing on the notice paper. (See appendix, page 5424).

Mr. Speaker: Orders of the day.

HIGHWAY TRANSPORTATION OF GOODS

Consideration of the interim report of the select committee on highway transportation of goods.

Mr. Conway: Where is the member for Scarborough Centre (Mr. Drea)?

Mr. Gregory: Mr. Speaker, it is a pleasure for me to be the leadoff speaker in the debate regarding the interim report of the select committee on the highway transportation of goods. This is a committee which, as you know, was struck in May and was charged with the duty of examining the entire transportation industry.

This is an industry of which there has not been a major review in over 40 years. I think it was certainly timely that at this time we are asked to do this job. We were given a mandate to review all aspects of trucking in Ontario. The select committee, of course, is an all-party committee without any one party having a clear majority and, of course, I think members of the opposition would agree with that structure.

The committee members, I believe, had a keen awareness of the responsibility to assess objectively the state of the industry. Of course, the committee members co-operated in pursuing this task. It is my opinion, as the

chairman of that committee, that the members of the select committee on highway transportation have been admirably committed to this task. I believe the unanimous agreement arrived at by the members reflects the lengths to which we went to avoid any kind of party differences, differences in philosophy.

Our object was to gather evidence from all segments of industry to protect the interests of the truckers and the shippers and the public at large. We received 250 written submissions and heard 200 delegations. We made ourselves available for hearings in 17 areas in Ontario. In addition to that, through an efficient use of the members' time, we were able to send delegations to Washington, Tennessee, Michigan, Ohio, Britain, Germany and Belgium. The trip to Europe was certainly a beneficial trip.

Mr. Conway: To be sure.

Mr. Gregory: There was an extensive report written. This was under the able chairmanship of the member for Nipissing (Mr. R. S. Smith)—I am sorry he isn't here today. Certainly the report is quite extensive and the benefit of that will appear when we submit our final report, hopefully at the end of February.

I might add that this has been accomplished not only on time and with the unanimous agreement of the members but within the budgetary limits. I think the committee members can take some pride in this. I would suggest that perhaps some other members in this House might take the co-operative working of this committee as an example.

An hon. member: Wait until the second report comes in.

Mr. Gregory: We have had some reaction from industry as a result of this interim report to this point. I had the pleasure of addressing the 50th meeting of the Ontario Trucking Association last month. There has been a very clear response by organized truckers to our efforts.

The industry itself is now mobilized in reaction to the Legislature's sudden interest in trucking. They felt they had been ignored for far too long—after all 40 years is a great deal of time without having had major policy statements and changes in regard to the trucking industry except for minor amendments.

What is very pleasing is that the Ontario Trucking Association is very willing to co-operate and accepts the fact that our recommendations will not meet all of its demands. The members recognize that there are going to be things they won't be entirely happy with. They also recognize that they will have to make some concessions as well in order to make this work.

We had general approval from the Ontario truckers in regard to our intent to license all the truckers in Ontario. There has been a very positive response to this and to the workings of the committee, if I might just read from a circular that was received, I believe, by all the members of the Legislature. This is from the new president, Mr. G. M. Hendry, Ontario Trucking Association, and in his centre paragraph he comments: "The thoroughness and impartiality shown by members of the select committee on highway transportation of goods and that on safety as well have been most commendable. We feel confident that all members of the Legislature will be willing to at least give due consideration to matters that we shall communicate to you from time to time." I regard that as an endorsement of the reports of the two committees.

One major reservation that the trucking association seems to have is that the government will not properly enforce regulations. Therefore, I believe it is incumbent on the government to secure the co-operation of this important economic sector and to gain its trust by introducing regulations which are reasonable to all interested parties and which can be backed up by forceful and effective enforcement procedures.

Just to touch for a moment on some of the recommendations, Mr. Speaker, we began our study based on the following criteria in regard to the recommendations that we made: First of all, the recommendations ought to lead to swift government action, the recommendations must be enforceable, and thirdly, the recommendations must be reasonable.

I think it important that any recommendations that we make must be enforceable. The law books are full of laws that can't be enforced. I think one of the problems, and a major problem in the trucking industry today, is that with the system we have of weigh scales it is just not possible to properly enforce the trucking industry. I believe the trucking industry itself is asking us to do this and find ways that it can be done.

One of the major problems, of course, with the industry is because it's so massive and so difficult to govern, there being some 11,000, almost 12,000, persons involved in the industry and 45,000 trucks. The truckers are not uniform in their organization. There are

several organizations. The Ontario Trucking Association, even though it's the largest, is not the only one. There are others. There's a great number of unlicensed carriers, independents, and they're operating under a wide range of corporate guises.

Some of these functions are in a grey area of legal activity. Others are operating completely outside the law but can't be detected or prosecuted. Even here we had to recognize the fact that they are providing a service, and to eliminate that service would create a hardship for shippers and for some consumers.

I would like to touch on some of our recommendations. The first one, and perhaps the main one, is an attempt to bring all truckers under regulatory guidelines and the organized trucking associations, the licensed trucking associations, tend to agree with this, even though they recognize that it does present some problem to the industry itself. We're recommending that the principle of control at entry be reaffirmed. We must maintain control of entry into the industry.

We must have a principle of economic control established so that the ministry has some control over the service, financial feasibility and safety of the trucking industry.

We recommend stiff penalties for violations of the law. The committee was of the opinion that minor penalties would not be sufficient to do the job that we wanted to be done.

One recommendation is to spread the legal responsibility to shippers as well as carriers, because in many instances the committee found in its hearings that the responsibility for—and, in fact, perhaps the cause of—some of the unlicensed trucking was the shippers themselves.

We feel it important that the role of the Ontario Highway Transport Board be strengthened. There are many recommendations that we have made in this regard, some of them to do with licensing that is no longer being used or advertised or offered to the public. These licensed vehicles should no longer be available.

We discussed at great length the problems of energy consumption and this, of course, led us to take steps to reduce movement of empty trucks. We hope to address ourselves in our final report more extensively to this particular subject, because it was a matter that was brought to our attention by many delegations, the opinion that energy is being wasted.

We are making a strong recommendation to the Ministry of Transportation and Communications to investigate reciprocity on both an interprovincial and international basis. We feel that we cannot ignore the fact that the consumer requires goods from other provinces and other countries as well as our own. We feel we have a major problem and I think the government should address itself to quality shipments of goods and to try and eliminate as much interference as possible between provinces and the United States.

We recommend that we clamp down on leasing companies and driver pools and they be put under certain restrictions and certain licensing procedures so that they can be better controlled.

Although our list of recommendations is not extensive, in our interim report we have raised enough issues to generate immediate legislative action in a number of areas. In our final report, which we have scheduled for completion by the end of February, 1977—and of course, if the committee is as efficient in the final report as it was in the interim report, we shall certainly hit that target—it would be difficult to attempt to comment on any conclusions we might raise on the final report but we can indicate some of the things that we will be looking into.

First of all, a broader look at enforcement procedures, private carriage, driver pools, inter-modal transportation, regional regulation of couriers—we have already had hearings on this, of course—and safety. It is the intention of our committee, and they have directed myself, as the chairman of the committee, to negotiate with the chairman of the highway safety committee, and of course, I've already made overtures to him on this, that we will want to co-operate on our final report and no doubt he will want to co-operate with us for his.

We certainly will be looking into the situation regarding bus licensing, and in view of the debate that went on in question period today, this is an area that certainly needs to be looked at.

Mr. Reid: We are going to look at it?

Mr. Gregory: We will be looking into busing. The member didn't read the information he got.

Mr. Reid: Yes, I read it. I am just wondering when we are going to get time to do it.

Mr. Gregory: We'll fit it in.

The committee felt that continuity was going to play a large part in this report and any final report we bring forward. The unanimous approval of the committee suggests that the report could be implemented by any

party in the House. As we all know, dissolution of the Legislature would lead to dissolution of the committee. We are most anxious that if this happened the work of the committee, and in fact the implementation of the reports, be completed.

In the unlikely happening that at a dissolution of this Legislature a new government was formed, the recommendation of our committee would be that the work be carried on despite that fact. Since we have had unanimity among the three parties on the committee I would suspect that this could happen.

[3:15]

Mr. Reid: Probably with a new chairman.

Mr. Gregory: There probably would be a new chairman at that point; I wonder who it will be.

In conclusion, we feel that the problems in the trucking industry have been sitting dormant as far as the government is concerned, and I'm not being critical, I'm saying it just hasn't been looked at for a long, long time. I think it's important for me to finish my statement by saying that these recommendations, in the opinion of the committee, should be acted on with haste in order to derive some of the benefit that can be derived from these recommendations.

Certainly we have, in my opinion, the total support of the trucking industry and, of course, I feel that we will be acting with these recommendations in the best interest of the public and they are, after all, number one.

I urge the Legislature to consider this well, in hopes that the recommendations of the committee can be implemented as quickly as possible.

Mr. Philip: It's a pleasure to be able to speak on the interim report of the select committee on highway transportation of goods, Mr. Speaker. I have no doubt that since the minister is now in the House he will be following our recommendations and be interested in the report of this committee.

A lot of the success of our committee, I think, can be attributed to the tireless work of an outstanding staff. We couldn't have asked for a more knowledgeable committee counsel than Mr. Max Rapoport. His skill at asking questions and his knowledge of the field were tremendous assets to our committee. We are appreciative of the fact that the ministry and the committee were able to benefit from this man's knowledge and abilities.

Likewise, the contribution of Mr. Brian Caldwell, our research director. The bags that we sometimes noted under his eyes were entirely related to the fact that he stayed up all night finding data that we had requested and putting together summaries of briefs and so forth. One couldn't have asked for a harder working staff person. A person's true worth is often discovered by his or her absence, and on those occasions when our secretary, Gayle Roberts, was absent, her absence was certainly felt. I have no doubt that when she graduates from university we in the NDP will be able to find a position somewhere for her.

Hon. J. R. Smith: Don't count on it.

Mr. Reid: If she graduates she will have too much intelligence to take it.

Hon. Mr. Bernier: That's very uncharitable, Pat.

Mr. Philip: David Callfas, the assistant clerk of the Legislative Assembly, took on the challenging responsibilities of scheduling and making all of our physical arrangements for the committee, and considering the heterogeneity of the members of the committee, that was no mean task. He certainly deserves our thanks.

Mr. Reid: That has nothing to do with sex, by the way.

Mr. Philip: The hon. member just realized I was talking about him.

The member for Mississauga East, our chairman, and the member for Nipissing, our vice-chairman, also deserve, I think, the appreciation of all members on the committee.

In the case of the member for Nipissing, I might add that those of us who were with him on our study sessions in Britain, Belgium and Germany could not help but feel that he conducted himself in a way that was a tribute to the province and that we certainly earned, by his actions, not only respect for the committee but also for the province of Ontario.

Last, but not least, a lot of credit for the excellent report must go to the many hours that the various individuals who made briefs to us used in preparing their briefs and in researching the briefs and presenting them to us. Of course without their kind of perspiration and inspiration we certainly wouldn't have been able to present the kind of excellent consensus report that we in fact were able to present.

It's well known that the members of our committee approached the problems from quite different perspectives. We in the NDP had always favoured the principle of proof of necessity and we felt that it was a safeguard not only of the trucking industry and its employees, but also the shippers and the consumer. Others of other political persuasions were less inclined in that direction.

However, the overwhelming view of the industry was that substantial de-regulation would eventually result in chaos and, therefore, a disservice to the community. The consensus of members of the committee was: "We believe it is prudent to retain economic regulatory controls over the movement of goods on Ontario highways. To retain capability for that movement is an absolute necessity. To retain influence and control over the shape and nature of that movement is clearly in the public interest."

The fact that this report represents a consensus of those who initially had had many different points of view is terribly important. It is an indication to the minister that all of us on this side of the House and on the government side of the House clearly want this report implemented as soon as possible.

The member for Mississauga East has called the attention of the minister to the position of the Ontario Trucking Association. In meeting with the delegates at their convention I am convinced that the delegates recognize that the kinds of solutions we are proposing in this interim report are workable solutions which need immediate attention.

It is important that the minister understand that the report must be implemented and we in the NDP will give him no peace until he has taken the kind of action necessary to implement the report. We saw how the Rapoport report on the dump truck industry led to heightened expectations among the truckers. We listened to the frustration in the voices of people like Mr. Angelo Natale, of the Ontario Haulers Association, as they told us how their expectations fell to frustration which eventually drifted into despair as the government did little on the report and it gathered dust. Let me assure the minister that the members of the trucking industry and the members of the committee have invested too much time and energy in this report to allow it to gather the kind of dust that the Rapoport report on the dump truck industry was allowed to gather.

It's a consensus report. We expect him to consider our recommendations seriously and to act on them.

While I have mentioned the Ontario Haulers Association everywhere we went we met people from the dump truck industry, either members of that association or other associations in the aggregate business, or simply dump truck operators of no particular association affiliation. The operators of these vehicles impressed on the committee time and again the need for implementation of the new Ontario R licence classification and the withdrawal of the regional designations together with—everywhere we got the same thing—a two-year or longer moratorium on the issuance of licences.

In a very short time the Minister of Transportation and Communications (Mr. Snow) will be receiving our final report. I expect this report will contain some very concrete and specific recommendations on alleviating what can only be described as a crisis situation in the dump truck industry. The small entrepreneurs who are involved in this industry are in desperate straits and we in this party feel that urgent action will be needed to improve the situation in the aggregate industry. We expect that the minister will move much faster on the recommendations concerning the aggregate industry in our final report than his government managed to move on the Rapoport report.

Another area of concern to members of this committee is the recommendation considering the North Bay restriction. I had expected the hon. member for Nipissing would be here and that he would be addressing himself to that question in a very concrete and specific way. Those of us who are members of the committee are most anxious to hear his views on that. I expect he will be fairly specific in his views on it and that the minister and members of this House will be interested in what he has to say.

Testimony has been given concerning regulation versus de-regulation. The interesting impression is often being left in the media and with the committee that Great Britain somehow de-regulated and that very little of any consequence happened as the result of de-regulation.

Those of us who travelled to Great Britain and were able to study the trucking industry at a grass roots level, realized that whereas there may in fact have been de-regulation on paper, there really is no de-regulation of trucking in Britain. What has happened is that the real regulation is conducted by the trade union movement, which is an awful lot stronger than it is here. So to compare Britain's de-regulation as having some kind of consequence to those of us in Ontario is

like comparing alligators and oranges. It just doesn't make any sense.

By the same token those who advocate the laissez-faire system of transportation in the trucking industry talk with horror about what has happened in Germany. While I would be the first to admit in Ontario the biases of regulation practised in Germany just wouldn't work—we just don't have the kind of rail system that the Germans have—I couldn't help but be impressed by the vitality and the efficiency of the trucking industry in Germany.

Our committee has been very concerned about the issues of energy conservation. After extensive hearings and study the committee does not feel that entry control per se is a limiting factor to energy conservation. Our report indicates that need for the Ministry of Transportation and Communications, in conjunction with the industry, to provide more significant data.

We in this party recognize and appreciate the efforts already undertaken by organizations such as the Ontario Trucking Association in developing methods of fuel conservation. We feel that proper encouragement of and co-operation between the government and bodies such as the Ontario Trucking Association and other bodies in the industry will produce substantial savings in energy. We also recognize that only a profitable trucking industry can in fact promote the kind of energy conservation we need in this province. De-regulation, I feel, would in fact be energy costly, rather than energy saving.

I was proud to be a member of this committee. I look forward to seeing this government implement its recommendations.

Mr. Reid: I too would like to underline and emphasize some of the remarks made by my colleague on the committee, particularly in regard to the hard-working staff we were blessed with on the committee. I've been on a number of select committees and other committees of the Legislature and it certainly makes a difference when you have knowledgeable people to work with in your deliberations and who are able to ask the questions and have the background information when required.

This has been an interesting exercise in the parliamentary system in the province of Ontario.

Mr. Moffatt: It's minority government.

Mr. Reid: Bill 4, which was introduced, focused on transportation problems on the highways in the province of Ontario and, of course, was the reason for the select committee being set up. It's an interesting philosophical approach and perhaps I might be allowed a little latitude in discussing it. There may be some objections to what I say, but that's not an abnormality.

It's interesting that the government, in introducing Bill 4, was responding to the large trucking concerns in the province of Ontario. We might call them large business. The NDP supported the bill, because the Teamsters Union—

Mr. Moffatt: That's malarkey.

Mr. Reid: You can disagree—

Mr. Moffatt: You read the Hansard of the other day.

Mr. Reid: —were supporting the bill for reasons of their own. The Liberal Party, trying to represent the small individual person in the province, opposed the passing of Bill 4 and I think we put some very excellent reasons why we should. Some reasons were philosophical and others were put because we felt this committee was necessary to look into the whole matter of truck transportation in the province of Ontario.

While initially I think the OTA, for instance, and others, were somewhat upset about the fact that Bill 4 did not get passed at that time, I think they and others will agree that the deliberations of the committee and the recommendations we have made, which hopefully will be translated into legislation, are to the benefit of the people of the province as a whole.

[3:30]

I want to say a couple of other things about the select committee process itself, and I will be very brief. As members of the committee, or the committee as a whole hearing testimony, for want of a better word—which was not under oath, I might point out—we were given certain facts, figures and conclusions from people who appeared before us as to the vitality or the rules and regulations of the trucking business in other parts of the world, particularly Britain and the Common Market area. We were told they had such and such a system in regard to de-retgulation, as my friend has just commented earlier. Quite frankly, I found that 90 per cent of some of that information was wholly false.

While we as a committee could not always compare the British system or the German system or the Common Market system and relate it directly to Canada, the part that

struck me was that the information we had been given, supposedly by expert witnesses, was not correct or was misleading. I am not saying, Mr. Deputy Speaker, as I am sure you are sensitive on the point, that they deliberately misled the committee; but it was interesting to have the committee or some members of the committee go and see for themselves. While I am not trying to defend committee travel, I think it's particularly important that members of a committee become aware, through their own first-hand knowledge, of just what's going on and not rely on government experts or industry experts or other experts outside of government for all their information, because they have their own biases and distortions from the positions in which they sit in regard to the information they are providing.

Mr. Deputy Speaker, mainly because it's you in the chair, I want to relate a little incident that happened, actually, when the committee was in Brussels.

Hon. Mr. Snow: That should be interesting,

Hon. Mr. Bernier: How long were you there?

Mr. Reid: Not that one, but you would be interested in this one too. One of the staff members and I had made our usual night visit to the church for contemplation and meditation. Afterwards, about 11 o'clock, we were sitting in the square in Brussels just having a coffee and feeding the birds.

An. hon. member: Feeding the pigeons.

Mr. Reid: The Minister of Natural Resources will be particularly interested in this. As we were sitting there contemplating nature and other things, standing beside me looking into a store window was a young lady who was wearing a T-shirt with Wabigoon, Ontario, on it. Wabigoon is in my riding and formerly was in the riding of the Minister of Natural Resources.

Hon. Mr. Bernier: Our people get around.

Mr. Reid: They sure do. In any case, there she was with a cousin and they had been travelling around Europe. She said, having seen some of the things in Europe and in Asia, that she would come back to Canada and the province of Ontario and appreciate much better how well off we were in this province.

Hon. J. R. Smith: Especially the government.

Mr. Reid: Except she said it would be much better with a Liberal government. I remember her distinctly saying that.

Hon. Mr. Bernier: Did she know who her member was?

Mr. Reid: Yes, she did. She kept calling me Leo for some reason, but other than that it was all right.

Mr. Drea: I wonder why.

Mr. Reid: The interim report deals primarily, as I see it, with three items. The recommendations fall generally into dealing with leasing, dormant licences and reciprocity.

I must admit to you, and to the chairman, that I find our recommendations on leasing not quite as specific and as clarified as they might be. We dealt with this problem, we spent a lot of time on this particular problem. As I pointed out, this was probably what led to the formation of the committee in the first place.

I am sure the minister and his officials have had time to go over the suggestion of the committee or the recommendation of the committee that we grandfather these people who have been doing trip leasing to make them a part of the regulated trucking industry.

The report does not make a recommendation as to exactly how the minister is going to do that, whether he is going to create another class of licence or so on; hopefully we will deal with that in our final report. But I think this is something—and this is a problem with government always; what bothers people more than anything else is the insecurity of not knowing where they stand—that has to be dealt with in a fairly quick fashion so that those people who are out there in that grey area know just what guidelines they are going to have to follow, if any —whatever decision the minister makes—and that the regulated trucking industry, as represented by the OTA and others, also know where they are going to stand and whether or not they should be applying for some kind of licences in regard to this kind of leasing. That's one thing.

The dormant licences also bother me, because I don't think we have been accurate enough in pinpointing exactly what we mean by a dormant licence. The PCV licence requires public necessity and convenience. If that licence is not being used, for whatever reason—because there has been a merger, an overrun or whatever—then it seems to me the raison d'être for that licence in the first place is therefore not valid. If there is no request

for public need and convenience for that licence, then perhaps these dormant licences should revert automatically to the OHTB after a certain period of time. I realize that is an oversimplification and that, as we found out in everything we got into—

Hon. Mr. Snow: Are you saying Gray Coach is a dormant licence?

Mr. Reid: It is going to be dormant. I'll make the minister a wager that within a year, or two years at the most, Gray Coach will not be operating on those runs because they—

Hon. Mr. Snow: They have got a lot of dormant ones now.

Mr. Reid: Then they should be forced to give them up if they are not—

Mr. Deputy Speaker: I don't think that is part of the select committee report.

Mr. Reid: We are going to get into that anyway. In any case, I would urge that these dormant licences be looked at very carefully. I am sure we will be reviewing these matters in our final report.

The other one the minister is able to implement immediately, if not sooner, is our recommendations on reciprocity. I would say the urgency is probably with the province of Quebec, let alone our neighbours to the south. But the interim recommendation is that the ministry set up a division within the ministry to deal completely with reciprocity with our sister provinces and with these various states in the United States.

This is a matter that almost everyone complained to us about. It is something on which, for some reason—and I can appreciate some of the reasons—the ministry has been dragging its feet over the years, and little, if any, success seems to have come forth in regard to this. Admittedly it is a fantastically complex business, but it seems to me the minister must have someone within his ministry devoting full time to dealing with this particular matter. You might be dealing with the international registration plan and other things. I might add, when I say that, that it seems to me in a ministry of this size that the minister can find staff who can deal with this without hiring more people. But that is an aside.

If I could urge the minister to take any immediate action on the report, this is the one area in particular where it is needed. As we know, this involves long and complicated negotiations between the provinces and between the various states. It is not going to be solved overnight, but we are already years behind and the sooner we get at it the better.

I want to touch on two things briefly. One is that in all of the hearings, and during our travelling around the province, I always felt one item was missing. Very few people addressed themselves to the question: Is the consumer getting a good deal from the highway transportation of goods in this province? Is the ultimate consumer being ripped off for transportation costs? Is he getting a fair break, or maybe he's being over-subsidized? We could never come to grips with that particular problem, nor, in all the submissions and briefs we heard, did we ever hear anyone—I think maybe there was one, but if there was it was a very minor submission to the select committee—saying on behalf of the consumer, "Look, we are not getting a fair deal on this."

We tried at some points to actually arrive at the rate setting of the trucking industry, and we discussed rate bureaus and we had submissions on that end of it. But we found it impossible to relate the cost of that component called transportation to the final cost of the goods in a store or delivered.

I want to say a word about rate bureaus, because in my humble and non-legalistic opinion this is one area where something has to be cleared up. The trucking industry, generally, is for regulation of people getting in and out of the industry. It seems to me that they should also be for some kind of regulation of rates. It appears to me that they could be charged under the anti-combines Act, and in fact we've heard rumours that perhaps they're looking at this. Many of the shippers made no attempt at concealing the fact that they got together, set the rates, sent them to the tariff bureau; he tariff bureau duly listed them, put them in the right columns, the right figures; they were duly sent to the OHTB, which gave 30 days' notice and then routinely had them in the Ontario Gazette and they became, in fact, the rates that were then charged.

In the Ministry of Transportation and Communications' own study on truck transportation in the province of Ontario, phase 3, an analysis of the basic rate structure, they deal in that particular text with the LTL rates particularly. While I won't go through all of them, it's obvious that, particularly in LTL rates—less-than-truckload rates—Ontario people are paying a much higher cost than they are in almost all other jurisdictions. There are all kinds of reasons for this. There is some indication that truckload lots, particularly for commodities, perhaps are lower

than they are in other provinces, that the LTL rates are cross-subsidizing the TL rates and so on; but we don't really have any hard information that we can hang our hat on.

It does seem to me that, ultimately, if the truckers want a regulated trucking system as to who gets in and who gets out, then they are also going to have to accept at some stage of the game justifying their rates before a tribunal or before the OHTB. I don't say that idly, Mr. Speaker, because I realize the experience in other jurisdictions, the kind of fantastic bureaucratic problems that can arise; but it seems to me there has to be some kind of mechanism set up to ensure that the people of the province of Ontario are not paying unduly for the transportation system that they have in the province of Ontario.

The second thing I want to talk about is the role of the Ontario Highway Transport Board itself. In the hearings, the committee went to the board and we saw how they functioned, we heard submissions from various people on the way the board operated and so on. I was always under the impression, until just recently, that the OHTB, while it was an independent manifestation of the government, and autonomous from the government, that the province of Ontario, through the cabinet and through the Minister of Transportation and Communications, was setting policy for transportation in the province of Ontario. That had always been my understanding, and that within the broad guidelines as handed down by the minister, the OHTB carried out its functions.

[3:45]

While this is not in the report it still is a concern of mine and I hope the minister can clarify it. I refer to the recent Gray Coach business, which to my mind is a policy departure from what occurred at the board formerly. In question period today in the House and previously the minister has not clarified to my satisfaction at least, how the OHTB fits into the scheme of things. I thought I was clear in—

Mr. Philip: He has come down squarely on both sides.

Mr. Reid: —my own mind on how the OHTB—

Mr. Moffatt: That is a terrible one.

Mr. Reid: —operated within the general guidelines of transportation policy in the province. The minister contends that the decision in regard to Gray Coach and Greyhound was not a departure from previous policy.

If it is a simple matter of interpretation between us that's one thing, but I say that was a fundamental change in policy and it was made by the Ontario Highway Transport Board not, as I understand it, at any suggestion or recommendation or policy statement by the minister. I hope he can clear that up. I don't think it's a function of the Ontario Highway Transport Board to make policy for transportation on highways in the province of Ontario.

Having said all that, I look forward to the final report of the committee. I think, quite frankly, that the matter is so complex, so mobile—if I may use that without intending a pun—that even the select committee, which had some of the best members of the Legislature on it—

Hon. Mr. Snow: Don't mislead the House now.

Mr. Reid: —has found that it has only scratched the surface.

Mr. Deputy Speaker: You might have said fluid.

Mr. Reid: Well, that too. It has only scratched the surface of the complexity of truck transportation in the province of Ontario. With that degree of humbleness, I think we do urge in any case that the minister act quickly on some of these recommendations.

Mr. Drea: The interim report of the select committee, in my point of view, demonstrates two things in conjunction with the highway transportation of goods in this province.

One is that for the first time there will be a policy on the movement of goods. I think in one of his appearances before us the minister pointed out that one of the difficulties in the present administration of the Acts has been that those Acts and the amendments to them have come over the years in response to particular situations, to particular problems and, latterly, in the light of changing technology in the transportation field.

As a matter of fact, from the very beginning of provincial licensing of highway movements, whether of people or goods, the only reason the province appeared on the scene is that the federal government showed absolutely no interest. It became a problem on the highways not only in terms of safety but also in terms of competition.

An aspect of that is that the North Bay restriction, which this committee is suggest-

ing be removed, at least as a permanent thing, was put forward in the 1930s, in the Depression era, for the plain and simple purpose of bolstering the revenues of the Ontario Northland Railway. In the 1960s, because the Ontario Northland Railway ventured into the direct trucking field through the purchase of an existing licence, that policy somehow became not to enhance the railway revenues of the Ontario Northland, but to leave the trucking arm of the Ontario Northland Transportation Commission in a very competitive, and quite frankly a very protected, environment. That, I suggest, is only one aspect of how a general overall lack of policy has in many ways contributed to some of the intense economic difficulties that have faced the trucking firms, particularly the highway trucking firms, in this province in the last five or six years.

Secondly, this report seems to me to be not just a vindication of the minister on Bill 4, but as a matter of fact establishes the minister in his policy of meeting the particular problem of the pseudo lease and the trip leases that were being used to flout the existing and traditional highway route licensing procedures of this province. As a matter of fact, I think it establishes the minister and his ministry in the forefront of being able to cope with a particular problem —which, by the time he inherited it was of such magnitude that at a very conservative estimate if the licensing procedures put forward in this report are carried out by the Ontario Highway Transport Board, we are looking at somewhere in the vicinity of 752 new over-the-road licences. That is just an indication of how many operators there were. And bear in mind that we have put forward very substantial and significant criteria. We are talking about a prolonged period of operation under these dubious leases—a steady trade of business either with one shipper or to a specific number of customers at the other end.

In fact, if you really want to break it down, what we are saying is that you were really not only successful but extremely stable in business, notwithstanding the fact you were circumventing the law—in conjunction, incidentally, with shippers and customers. I think the fact that we're talking about over 700 new major licences in this province if these are adopted is an indication of the problem that faced the minister when he brought in Bill 4. While now, with hindsight, it's very easy to say that Bill 4 was somewhat primitive because it did not take in the scope that is envisaged by the committee report, nonetheless, further hindsight, I think, will show that Bill 4 was a most significant document in the transportation history of this province.

The truth of the matter is that were it not for Bill 4 there would have never have been a select committee. Were it not for the select committee it probably would have been quite some time down the road before an attempt to begin an overall review of transportation policies would have commenced in this province; and by that I do not mean a back-handed attempt to look at the Ministry of Transportation and Communications or its transportation section, or at the Ontario Highway Transportation Board.

The simple truth of the matter is transportation has become such a priority item in this province—and not necessarily the highway movement of goods or of people, which is now in the media, but indeed it has become probably the most essential criterion upon which this province is going to meet the very many economic and social challenges of the last quarter of this century. It's no accident that we included energy in this report, because changes in energy in three or four years have made massive inroads upon traditional transportation concepts and are going to make even more. I suggest that Bill 4 has provided an impetus for a new insight into transportation in this province.

One of the difficulties in attempting to come to grips with a transportation policy is the fact that once again as a provincet we are being faced with the insatiable lust of the federal government to intrude once again into an area where not just this province but all 10 provinces have assumed their duties and have worked out a transportation system that is at least equal to, if not better than, any other in the world, bearing in mind the geographic differences, the climate and a number of other factors. I cannot understand why a federal government that 40 years ago or even 50 years ago, even as late as 10 years ago, had no interest in trucking whatsoever, now has this inordinate desire to get into the field.

Hon. B. Stephenson: So do the rest of us have inordinate desires.

Mr. Drea: Especially, and this may be the most significant thing, since from its inception in this country the federal government has controlled air traffic, whether people or goods. It has ruined the air line industry in this country. Probably because of the American experience, it inherited the inter-pro-

vincial railroads, in fact all the railroads. I think I will get a response on this when I say government policy, not only toward the two major railways of this country but toward the provincial branch lines, has proven such a disaster that quite frankly, in the foreseeable future railways will no longer be a first class mode of transportation.

In the movement of people, railways have already been virtually phased out. In the movement of perishables, railways are now such an insignificant contributor to the transportation picture that for practical purposes they might just as well be phased out. They are having the greatest of difficulty in handling specialized goods or specialized commodities or hazardous commodities. In fact, all of the new modes of carrying goods or of being able to move goods to a place where they can be instantly used are in the field of trucking. Once again, this puts tremendous pressure upon a province to be able to regulate and to attempt to set long-term policies for highway transport, when there is an ever-looming threat of the federal civil service wanting to tinker and to make their average in terms of transportation in this country absolutely perfect. They already have two dismal failures to their record. They merely want to add a third.

I suggest that this report should demonstrate to the federal government there really is no place for the federal government in the intraprovincial trucking sphere. I don't think anybody disagrees that the federal government does have a responsibility, albeit a relatively minor one because of the co-operation of the provinces, in the interprovincial field. The thrust of this report is regulation. I would hope in the foreseeable future there will not again be a ringing debate over the merits of de-regulation.

Mr. Reid: It will never end.

[4:00]

Mr. Drea: I would certainly hope, on the basis of the findings of this report, of the evaluation, of the experiments with de-regulation, and quite frankly, the government's own experiment with de-regulation which ruined the dump truck industry, that at least that particular aspect of transportation problems has been solved.

The fundamental difficulty for the committee—and it is a very difficult one for people who, by occupation, not only make laws but are called upon to enforce them and to respect them—was to come to grips with a situation where we had this extraordinarily large number of stable, successful and absolutely law-defiant companies on the roads.

When we are confronted with evidence that there have been companies operating for eight, nine or 10 years as the sole shipper for rather large firms in this province, and that there has been a conspiracy by the shipper, that there are literally brokering agencies which can find an illicit operator not only a load but a lawyer who will draw him up a phoney trip lease and that that is done every day of the week, it becomes very difficult for a committee to have to wrestle with the realities of the situation. The truth of the matter is that when defiance and breaking of the law reaches that extent it is impossible to turn back the clock and to bring about enforcement that would have given these people the penalty they probably deserved.

I don't think any member of the committee likes to be in a position of licensing the bootlegger or absolving the law-breaker. None the less, in the field of transportation there is the overriding public interest. Transportation is not only a public necessity, it must serve the public interest. Quite frankly, if the system was too inflexible or too cumbersome or too unwieldy and people could start up in defiance of the law and it did serve the public interest, then it is incumbent that the law be changed.

What the committee is recommending is very simple. That in 1977—we wanted 1976, but early 1977 will suffice—we establish firmly the beginnings of an overall transportation policy in this province by bringing in under the regulation of government the disparate segments of the highway transport industry.

I am pleased to say—because I could understand why they would vehemently oppose this—that the Ontario Trucking Association has given grudging approval to this proposal. I think that demonstrates the responsibility and the maturity of the industry, because it would have been very easy to say, "Why should you license the law-breakers at our expense when we obeyed the law all along?"

The two major labour organizations in this field, the Canadian Brotherhood of Railway Transport and General Workers and the Teamsters Union, have contributed their thoughts to this report. I think it is a demonstration of their maturity and their responsibility that they see this as a beginning for a more stable, a more successful, and a better transportation industry that indeed will fulfil its potential in the public interest. I think it would have been very easy for them to oppose this, because with the number of new licences coming on the road there may

very well be some dislocation of employees. But I think in the overall picture and in the relatively near future it will not only make for a better industry for the consumer but a better industry for the employee, as well as for the companies involved.

The key to the success of this report is not only relatively quick adoption by the government; quite frankly many, in fact almost all, of the recommendations do not require legislation.

I was rather surprised to hear the member for Rainy River (Mr. Reid) say he didn't understand the exact procedure or how the procedure would work to bring in the companies that have operated under pseudo-leases. It is a relatively simple one. Public need and necessity is recognized by the Highway Transport Board, but the report says that where there has been a stable and a successful transportation relationship between a shipper and a trucking company or a number of consumers and that trucking company, there is the criterion for public need and acceptance.

Mr. Reid: What kind of licence are you going to give them?

Mr. Drea: Most of them will apply for Cs, they don't want As. I would imagine there would be a few Ds. There will be one R, which I think will be fascinating. Everybody has always denied there was a pseudo trip-leaser in the tank truck field but there is one of some substance.

I don't think that in itself will be the major problem; and after all we have suggested that they are not getting off with absolution, they are still going to have to do a year of penance and if they don't do the year of penance with what according to the Highway Transport Board is considered to be satisfactory behaviour, they are out for all time.

But the real key to it is enforcement. Personally I think the methods of enforcement today, relying upon the weigh scales and the mobile cruisers—I think these are passé. They are passé because of cost, because of the sophistication and the great diversity of shipping routes and also the citizens' band radio has made the weigh scale almost obsolete except—

Mr. Reid: The portable ones.

Mr. Drea: Well, the cruiser with the portable ones; it takes two men and there is the cost of it. The CB radio makes it possible to avoid them as well. The weigh scale has become as much of a joke as the 55-mile-an-hour speed limit on Interstate 75 in the United States.

If the weigh scales and the cruisers with the portable equipment were really to be in the enforcement field they would have to be open seven days a week, 24 hours a day. The cost of erecting a sufficient number of weigh-scale locations where trucks could be impounded, the cost of providing two men to a car for the portable weigh scales to be used on that extensive an operation would, I think, be extremely costly to the taxpayers of this province. And I also suggest it would not really come to grips with enforcement.

One of the departures in this report is the suggestion that it is not just the trucker who circumvents the law; that indeed when a law is circumvented it is usually a conspiracy, because the shipper sits down with the unlicensed carrier and they conspire together to defeat the laws of this province—and always for only one reason; one is going to make money, the other is going to save money. We have suggested in this report that a shipper who knowingly enters into one of these agreements in the future faces not only an extremely heavy fine but also may learn to give the transportation policy course at Millhaven Penitentiary. I suggest that is a far better way of enforcement.

We don't enforce tax collection with people overseeing the cash register. We don't enforce the very many taxes there are in the licensed alcohol industry with people standing by on every transaction or monitor. We do it through a sophisticated audit. We do it through spot checks and, quite frankly, to me that is a far more substantial threat and deterrent for a potential law-breaker than all the weigh scales or the portable weigh scales, or the activities of the Ontario Provincial Police in carrying out the applicable provisions of The Highway Traffic Act.

If a man is a traffic manager or the proprietor of a company and he doesn't know when the audit is coming or doesn't know when the check is coming but he knows he may go to Millhaven for saving some money, I suggest he will rapidly depart from trying to play fun and games with the government, aided and abetted, of course, by his friendly solicitor who just happens to have a two-way trip lease in his back pocket. Enforcement, if we are to have a regulated truck industry, is essential. The committee has agreed that a regulated truck industry is essential not only to the present economy of this province but to the future improvement and the future development of this province.

Secondly, and the member for Rainy River as well as other speakers touched upon this, there is the issue of reciprocity. Reciprocity is going to be a lifetime occupation in the transportation field of this province because in no way, shape or form is it ever a simple independent decision.

Reciprocity has to be weighed on the basis of its impact upon Ontario carriers in the short run. It has to be weighed in terms of revenue in the short run and in the long run. It has to be weighed in terms of this country's export policies. It has to be weighed in terms of this country's export policies. It has to be weighed very substantially in terms of the orderly shipment of goods in this province.

It has to be viewed in terms of the capital which may or may not be divested. It has to be constantly weighed, whether the reciprocity agreements are with individual states, the western provinces or the province of Quebec and the Maritimes, because governments change, attitudes change.

In this year we have been slapped twice in the face by once relatively reciprocal partners. The state of Michigan, rightly or wrongly, took arbitrary action. The province of Quebec has yet to accept its responsibilities in terms of the Ottawa dump-truck drivers. I would certainly hope that Mr. Levesque, and I take him at his word, wants friendly and honourable relations with the other provinces. I hope Mr. Levesque will do what Mr. Bourassa not only wouldn't do but dropped his own curtain of double talk around—that is look at the particular problem of a one-sided arrangement on the Ottawa River.

We have asked the ministry to set up an office or a division to look at reciprocity. I don't think I could be any more eloquent than the member for Rainy River; I think he has stated the case for it. I think if only that came out of this report, that alone would justify the work which has been done.

[4:15]

Finally, I would like to echo the very many comments about the dump-truck situation made here today by the member for Etobicoke. It is a particularly vexing situation. It is one that only regulation can help and it may have to be very stringent and very harsh and, perhaps for a short period of time, almost draconian regulation. In this province we have lived, in my adulthood anyway, with chaos after turmoil after chaos after turmoil in the dump-truck industry, and each and every time a Band-Aid or a very small solution has been attempted. I beg your pardon; once we took the big step—that was de-regulation—but we found out it was 100 per cent wrong and we brought it back into a form of regulation.

The aggregate hauling industry is an essential one which many people look to as their only opportunity or their first opportunity to get into business in this country, but it is one in which the people, despite their pleas to government for at least two decades, have never received the attention that their problems merited. Therefore, in the ensuing weeks and months I hope this committee will be able to sit down and draw up a definitive policy for the dump-truck industry, whether it be in northern Ontario, where road work is virtually the only avenue of revenue for them, or whether it be in southern Ontario, where it does the complete gamut from gravel and sand hauling and snow ploughing on up to snow removal.

It is a very difficult field. It is one that I am sure will challenge the ingenuity and talents of the members on this committee. But I think 1977, and as early as possible in 1977, is the appropriate time to deal finally with that segment of the industry. It is rather unique in that it is the only one where safety checks are required. Not even for your passenger car is a safety check ever required. As a matter of fact, you can send a very substantial cargo of very inflammable gasoline or chemicals down the road without going through about one-tenth or one-fifth of the safety checks that we inflict upon the vehicles in the dump-truck industry. I am not questioning that those safety checks may be necessary, but I find it extremely significant that one of their complaints in this industry is they don't mind the safety checks but if it is good enough for them, why isn't it done in the tank-truck industry and why isn't it done in the over-the-road industry with the same degree of government enforcement as faces them.

Finally, I would be remiss if I did not pay tribute to Mr. Max Rapoport, our general counsel for the interim report and who will serve for the final report. I think the work and the counselling of members that he accomplished this fall certainly emphasizes that he is indeed the country's foremost transportation lawyer. Indeed, he is probably one of the two or three foremost transportation authorities in this country—and that goes far beyond the legal sphere.

Secondly, we were extremely fortunate in this committee—and we are going to be fortunate again—because we were able to borrow from the civil service. I think we sometimes sneer a little too much at the

civil service, but in this case we were able to draw upon the resources of the civil service in this province and we had Mr. Brian Caldwell from the Ministry of Transportation and Communications as our research director. I would say categorically at this time that were it not for the research work of Mr. Caldwell, and the overall general counselling of Mr. Rapoport, this report would be the traditional kind of interim report that is tabled in this Legislature.

We have met for many months and we will give you detailed reports a year or two from now. I think that such a complex subject was able to be broken down into its components with such relative speed and the number of hearings—whereby, incidentally, no one in this province has said that they didn't have the opportunity to have input—is a great tribute to these two men.

I would hope that when this report is really analysed, prior to the introduction of policy changes, administrative practices, or the very small sections that do require legislation, those who are considering it consider it in the light that it must be a package. The recommendations cannot be implemented on a hit or miss or sporadic basis, because if they are then I suggest we are following the traditional fallacies that have plagued attempts at really coming to grips with the problems of this industry.

You cannot isolate the North Bay restriction from the fact that there are going to be new C and D licences on the road. You cannot isolate an overall transportation policy from the issue of reciprocity. I suggest to you, Mr. Speaker, it was intended to be adopted as a package. I would hope that it is viewed as a practical, reasonable package of proposals that will be a beginning for a transportation policy that will enhance the economic and the social development of this province.

Mr. Conway: Frank Drea for the cabinet. He should get a cabinet post.

Mr. Moffatt: I gather it is traditional with select committee interim reports that they be rather mundane and not very substantive documents. I think this particular document is substantive and I think it goes some distance toward answering a number of problems which appeared to us to have been existent in the transportation of goods in this province for a number of years. Those problems didn't arise because of great government policy, with all respect. I suggest that there has been a glaring lack of government policy in the transportation of goods field which has led to the chairman of the Highway Transport Board and his able officials not understanding exactly where they should go with regard to enforcement; with regard to the controlling of entry and so on. It has led to confusion in the industry.

Hon. Mr. Snow: They don't have powers of enforcement.

Mr. Moffatt: Obviously, as the minister has interjected, the Highway Transport Board does not have powers of enforcement. Somebody has to do the enforcement; that is one of the problems.

What I am suggesting to the minister—and I appreciate the fact that the minister has stayed here all afternoon to listen to our comments with regard to this report—what I am suggesting is that there has been an absence of policy. If there has been a policy it has not been clearly stated. There have not been clear objectives by which the Highway Transport Board or any of the other agencies could measure their effectiveness.

If we have regulation of the industry what is the purpose of that regulation? If we listen to the representatives of the regulated industry they will tell you that the industry regulation has one purpose. If we listen to the people employed by those same firms we find out that regulation has another purpose. If we listen to the people who are not in the licensed industry we find that regulation has another purpose entirely and that, in their words, was to keep them out of the business.

I think it is very clear, as the member for Scarborough Centre has outlined, that this report lists the recommendations in a summary form, in a complete form, and that it is not our intention that little bits and pieces be lifted out of this report and be put in as a kind of Band-Aid or patchwork bit of legislation that will clear up the situation. There is a problem existent in what is probably the most important industry in this province and that is the transportation of goods.

The problem is not going to go away. It is in a state of hiatus now because the people, some of whom are in the galleries today, are here to see that this select committee report will come into being. If there are not substantial moves made by the ministry to implement the policies recommended, the problem will re-emerge and they will not be satisfied with the appearance of a sop by forming a new select committee or introducing a little bit of legislation to get the thing corrected.

I refer to the Rapoport report which said, in 47 recommendations, that the dump truck industry was in some difficulty and that 47 things should be done in order to correct it.

To date, I think we've had three little items from that particular report and that was to clear up a problem which has been in existence for some time. If the same attitude continues with regard to this report, nothing will happen except that the people who are concerned with this industry will be in a much worse state a year from now than they are right now.

I think a policy on the transportation of goods in this province has to take into consideration the reliability and safety of the transportation of those goods and the safety of people using our highways. It also has to take into consideration the economics of the situation. It cannot be only cheap; it must be reliable as well. It cannot be only reliable, it must be safe and it must look after the individuals who are concerned and who are employed in those industries.

The highways are not owned by the trucking companies nor by the people who drive those trucks. They are built and paid for by the people of this province who expect the delivery of goods will be facilitated by a reliable industry using those highways. It is a dynamic industry and, in that case, it needs to have flexibility in the ministry so that problems can be responded to at the time the problems arise not pushed into a corner or ignored. I suspect that's what's happened.

To my way of thinking, and I think the people in this party are united on this, it is not an industry which needs to have needless and mindless competition in order to make it effective. It needs to have the continuance of government regulations in order to ensure that the public will be served, which is the first commitment we would make to the public.

The hon. member for Rainy River alluded to the group in this party caving in under pressure from the Teamsters with regard to Bill 4.

I want to tell members right now that at the time Bill 4 came before this House, we had not had any contact with people attempting to get us to cave in under the Teamsters or anyone else; the whole allusion by the member was an illusion, in fact.

I think it's important to note in this report that one of the problems which has constantly plagued the trucking industry is that leasing vehicles is a kind of fluid arrangement which changes from week to week or month to month or year to year. I would hope that one of the things we'll be able to come up with is some form of standardized leasing contract which will be able, over the long run, to clarify this whole business.

Visiting Washington we were given information by the interstate commerce commission and various other agencies which indicated that in the United States they are going to a fairly standard form of leasing arrangement for cab cars and so on. I think that may well make enforcement, which would flow from a final report and this report, much more effective.

The member for Scarborough Centre has come out with his normal policy of draconian enforcement to clear up the situation. It may well be that enforcement in this particular instance will be effectively dealt with by some of the methods we've suggested in the report. I gather that making the shipper liable for the activities of the trucker he employs is one method which is novel and, I think, it may well work in this instance.

One of the things we had happen to us in dealing with other areas was that people from other states had written letters to the minister and had not had answers to some of their problems. In the middle of this past summer the state of Michigan imposed a penalty against trucking firms from Ontario moving into Michigan. It seemed to us, from the submissions made to the select committee, that what had happened was they had written, called, visited Ontario's Ministry of Transportation and Communications and elicited no real response.

Hon. Mr. Snow: Never heard from them.

Mr. Moffatt: They took that kind of action in order to draw a serious problem to the minister's attention. I suspect, if that's what's happening, there's something a little remiss in what is going on in the Ontario government when reacting to questions, comments and briefs from other jurisdictions. If what they related to us is true, I suspect that something needs to be cleared up somewhere in the ministry.

[4:30]

Mr. Shoniker, the chairman of the Highway Transport Board, in his appearances before us detailed a number of cases where he had acted in the interest of the Highway Transport Board on his own volition. For instance, he told us he issued telegrams of authority where in fact there was no place in the legislation that could be done. Mr. Shoniker was to be commended for that initiative, but at the same time I suspect there were times when he wondered if he was going to have his job the next day after

having issued a telegram of authority. It seems to us that kind of thing should be corrected.

I am not going to go on much longer.

Mr. Conway: Hear, hear.

Mr. Moffatt: I realize there are other people who wish to speak and the member for Renfrew North may wish to interject on his own behalf and take up his own time.

I wanted to say, though, that the constitutional issue which was raised by the member for Scarborough Centre is one that I think needs to be looked at very carefully. It seems to me and others among my colleagues that this whole question of constitutional matters in transportation has not really been an area where Ontario has shown much leadership.

We always like to come on as though it's always the federal government that has been at fault, that the federal government is messing around with something and is invading the rights of the government of Ontario. I submit the government of Ontario has left that field completely to the federal government and it is only when the federal government appears to be moving in that good old Ontario starts once more to look after its borders. The whole question of interprovincial movement of goods and so on is of great consequence and great importance. It is too important to be left to somebody else to look after.

I would urge the minister to make sure that any moves by Ottawa be constantly scrutinized by his ministry and that Ontario show some kind of leadership in establishing reciprocity within Ontario, and between Ontario and other provinces and other countries. There are many states in the United States, which are members of the international registration plan. It may well be, if the committee that is suggested in our report is set up, that Ontario also will join that plan. From what we have seen of the committee that would make some sense.

I want to congratulate the chairman and the vice-chairman of the committee. They did an extremely good job. Despite their party affiliation, they proved to be very competent people.

Mr. Cunningham: I would like to make some brief comments on the interim report which we have tabled more recently here in the Legislature. I am sure members will appreciate the environment of regulated trucking as it currently exists in the province of Ontario. Since 1928 with the inception of The PCV Act, and four years later, the Duff report, the province of Ontario, as it relates to truck transportation on our highways, operated within the environment of a regulated type of system. I suppose it was within that context that last spring we were required to vote on Bill 4. It is not my intention today to justify what my party did or to castigate members of opposing parties for their actions on that particular bill.

Mr. Conway: Statesmanship.

Mr. Cunningham: I don't think at that time either I would impute motives, as was done at that time, and certainly as transpired in the time gone by, as to why or why not various parties voted in various ways and what particular groups got to them. I think it would be unfair to put those kind of motives into the political context at this time. I would only say I think there has been a predisposition of thought, sincerely I am sure, within the ministry as to how to cope with the very contentious problem of regulation and more specifically the problem of illegal leasing.

We heard here, not too long ago I suppose, some discussion as it relates to illegal leasing. I would agree there is a number of activities in the province where the operation in itself could be termed illegal. I am sure if it were tested in the courts it would in fact be illegal. There were at the same time, I think, many operations which operated in a quasi-legal fashion, recognizing most of the rules and regulations of this province, but without benefit of a licence by way of The PCV Act through a hearing at the Highway Transport Board. The reasons for that operation are many, and it's not for me to justify them or to condemn them in any way. We can only say that they are a fact of life and that there is a great deal of business that operates in that fashion within the province of Ontario on behalf of many consumers and many businesses.

I looked back on Bill 4 and its context, and I looked at my remarks on April 6. I can only say that I didn't have any regrets in voting against that bill. I didn't think it would accomplish what was required at this time, largely because I thought it was inherently unfair. It would require one-way leasing, which I thought to be uneconomical as it relates to the consumption of energy and fuel. It would also be blatantly unfair and, I thought, very difficult to enforce. In fact, if enforcement were so easy, I think effective enforcement would have been brought in some time ago and this issue that is before us would have been cleared up a long time ago.

In participating in this committee, I must say I was quite pleased by the way the members of all parties worked together. The first day we met, I thought the members of the government party would try to legitimize their position on Bill 4, which I thought was blatantly wrong, and I thought the members of the NDP probably would react accordingly as well. Naturally, I must say sincerely, I had a previous supposition as to Bill 4 and the way we should go. I must say I did have some feelings that related to the concept of de-regulation, and I'm sure that some members of other parties had some feelings about excessive regulations. In the time that transpired and the briefs that we heard, I think we all came to the realization that the only fair and equitable solution is a compromise—some position somewhere in the middle. I think that, recognizing that, we have tabled a report which I think deserves a great deal of consideration by the ministry and by the minister himself.

I would refer you to the section in the report on energy, Mr. Speaker. I think we'll be saying more about that in our final report, but I would say that we have had some great co-operation by the ministry and by other sectors within the province. Our recommendations as they relate to empty movements and the interlining of C licences in accordance with public necessity and convenience, I think would represent a great constituency within the province in that there is great feeling for this conservation of energy. To that end, I can only request, pressure or somehow encourage the minister to consider a more effective interlining of C carriers or other carriers as may be the case.

It wasn't that long ago—in 1974, I believe—that there was a case between a carrier in Hamilton and a carrier in Windsor who wanted effectively to interline their operations. I recall reading the arguments by the counsel for both of the applicants; they both quoted the then Minister of Energy, who is now the Treasurer (Mr. McKeough) indicating the necessity for conserving energy in those days. I think the situation is much more severe right now, and, unfortunately, I'm sure it will probably get worse.

Also unfortunately, the Highway Transport Board did not rule in favour of that. There were a number of respondents to the application who I guess were more or less protecting their own interests—and one can hardly blame them for it—but in the final analysis possibly the public was not being served by that particular decision.

With that in mind, I will briefly direct my remarks to the operation of the Highway Transport Board itself. I can only say to the minister that I have the ultmost of respect for the independence and the honesty of the chairman of that board and, I suppose, to the intentions of the board. Where I must make some comment, possibly in a negative fashion, would be the relationship of the government itself to the Highway Transport Board and by what process the government conveys its thoughts, its feelings and its philosophies of the day to the transport board—not necessarily as they relate to the granting of a licence, whether it be to Greyhound, Gray Coach or a certain carrier or an extension therof, but the process by which the government conveys its feelings of policy in the day-to-day activities which I think reflect very appropriately on the government itself.

In our report we spoke of reciprocity. I'm not going to elaborate in great depth on this; other members have addressed themselves to it. We did hear, though, in the course of our hearings that the state of Michigan and other jurisdictions have been in touch with this ministry directly—and in the case of the state of Michigan, I think, without a reply. I must say it's not our function as a committee to negotiate reciprocity with the state of Michigan or any other state or province.

I can only say to the minister that I sense in my sitting on this committee that there is a great necessity for this. I can only encourage him to adhere to the recommendation that we have as it relates to reciprocity and that is that a branch of the ministry be established immediately to negotiate and establish a degree of reciprocity with the states that I've mentioned and certainly with other provinces.

Unfortunately the member for Nipissing can't be here at this time. I believe he is ill in hospital. I know he would like to comment on the North Bay restriction and other topics. Specifically I can only say that I think the gradual removal of this restriction would ensure some further competition in northern Ontario and thereby reduce the cost of transportation to the people in northern Ontario.

One thing that was very apparent to me in listening to some testimony given to us in Geraldton was that the cost of transportation up there is inflationary by nature and, of course, the minister knows that they all pay sales tax on that inflated price, which I think is very fortunate. A television set down here may cost $400. In northern Ontario it could be $450 and the $50 that relates to the transportation costs certainly adds to the cost

of the purchase of the product and the sales tax is computed on that final price. I just found it to be somewhat unfair.

I've talked very briefly on the subject of interlining, and I only hope that the minister will take this report and analyse it. I'm sure I can speak for the members of my party in saying that we look forward to working with him in establishing a more fair approach to the entire situation, to bringing into the fold, into the regulated environment, people who heretofore maybe have been referred to as "bad Indians." At least we'll know where they are and what their operating authorities are and if one is licensed to go from Toronto to Windsor and we find him in Haileybury, or North Bay, or Peterborough, or somewhere else looking for a load, then he is in trouble—I think he would lose his licence—and we can effectively see some meaningful form of compromise in that regard.

The member for Scarborough Centre has been an active member of this committee, as all members have. I appreciate his remarks as it relates to the total package concept of this report. Again, it's not our function to dictate policy to the minister but I think that if we adopt these recommendations in isolation then we may in fact find ourselves in some difficulty as it relates to enforcement.

I think that the comments on shipper responsibility are very valid in the confines of this report. I know it's the minister's intention to do that with aggregate shippers and I think it's a good idea and one that deserves his immediate consideration.

Before I conclude I can only say that I appreciate the assistance given to us by our counsel, Mr. Max Rapoport, and again the efforts of one of the minister's staff, Mr. Brian Caldwell were just tremendous for us. Gayle Roberts and David Callfas were of great assistance to us. As well, I found complete co-operation with all sectors of the province of Ontario including the transport board itself and its chairman, Mr. Shoniker, and I guess most appropriately—I'm sorry he's not in his seat to hear this—I should pay some tribute to our chairman who somehow managed to keep all of us together despite our contentious differences of opinions at one time. We've all found ourselves in the position where we more effectively can put our names on this report and endorse for the most part the recommendations that we've made and I think to that end the chairman should be commended.

Mr. Williams: Mr. Speaker, before I proceed I believe the member for Etobicoke had wished to speak on this matter and time is running along. I'll try to—

Mr. Reid: He has already spoken.

Mr. Williams: He has spoken? I'm sorry. All right.

Mr. Reid: I want to hear from the minister though.

[4:45]

Mr. Williams: I appreciate the opportunity to participate in this discussion this afternoon having been a member of the select committee. I think without exception all the members who participated in the deliberations of the committee and sat through many public hearings came to appreciate and understand —only, I think, through those ways and means—the complexity and scope of the transportation industry in this province.

Up to this time, I think all of us individually had had, in varying degrees, some appreciation of the size of the industry but none of us really—I'm sure, after having been through these initial hearings—had total and full appreciation of the impact of the trucking industry on the economy of this province.

So often when one reads legislation and the rules and regulations governed by that legislation, one can analyse and supposedly understand all the ramifications of that legislation as it applies in a practical way. However, I think from this experience one quickly learns that this is a fallacy. One does have to acquaint oneself in a practical way with the workings of any sector of our society which is affected by legislation to have a full and comprehensive understanding of the legislation's impact and how the industry as a whole operates within the framework of existing legislation. One gains a better appreciation and understanding of how an industry can be impeded from operating as efficiently as it might because of existing or outdated legislation.

Consequently the meetings this committee had in various cities and towns in this province brought a degree of enlightenment to the members of the committee which we would not otherwise have had the opportunity to gain.

We found that in every sector of the province we travelled to and held public hearings in, whether it was Fort Frances in the far northwest, Timmins, Kapuskasing, Windsor, Ottawa, Fort Erie, London—wherever it may have been in the province—the meetings proved most beneficial and gave the mem-

bers of the committee a much more comprehensive understanding of the complexities and the problems confronting the industry today.

I would hasten to point out that we were fortunate in having the committee chaired by my colleague, the member for Mississauga East, who, I think, has proved to all members to be a very impartial and fair chairman and a man who could get the job done as is demonstrated clearly by the presentation of this report within the time parameters imposed upon the committee, bearing in mind that this has turned out to be a very full and complete interim report. Consequently, I don't hesitate to compliment the member for Mississauga East and I'm sure that other members of the committee, while I have been absent from the chamber, have commented equally on his effectiveness as chairman.

As a result of his guidance the committee, I think, has come forward with very sound and substantive recommendations which the committee as a whole felt were pressing issues which required as immediate attention as possible and which were issues and matters which could not wait for the final report to come forward. We felt, virtually with regard to all of these recommendations, that there was a degree of urgency and it was because of the concerted effort of the chairman and our learned counsel and staff that we were able to bring together some meaningful and, we feel, postive recommendations which we're hopeful the government will take—and I'm sure is taking—under advisement at this time and will be hopefully taking action on within the very near future.

One of the things I find of interest is the difference that exists between the Ontario Highway Transport Board, as it operates as an independent body in this province, and its counterpart in the United States, the ICC, and the relationship that appears to exist between our board and our ministry, and the ICC and the Department of Transportation in the United States.

As a result of our trip to Washington it became quite apparent to the members of the committee that the views and attitudes and philosophies of those two bodies in the US jurisdiction were diametrically opposed, whereas in Ontario it appears that there is a much greater meeting of minds. In fact, the two seem to very much complement one another in their ongoing but somewhat distinct areas of responsibility.

I am sure that without exception the members of the committee came away from our Washington tour feeling quite elated over the fact that there wasn't this division of differences and attitudes that we found so apparent in the United States and that indeed there was a greater spirit of co-operation and unified approach to the problems in this jurisdiction in the province of Ontario. And that, indeed, I think the members of the committee found to be most gratifying indeed.

Mr. Reid: Excuse me, Mr. Speaker, I wonder if I could rise, not necessarily on a point of order but because time is short. We only have about seven minutes left and I am sure we would all want to hear what the minister's response is to the interim report. I wonder if we could prevail upon our friend to cut his remarks somewhat short.

Mr. Williams: Mr. Speaker, I will be through in about two minutes, if I might.

So, consequently, these were indeed matters of great interest to the committee. There will be opportunity in the future to discuss the various points that have been gone through today by the various members of the committee dealing with the specific interim recommendations.

The only other point that I would like to dwell on at this point in time is related to a responsibility that I had in visiting for a day the University of Michigan and Michigan State University to talk with people in the academic community as to how the colleges and universities in that jurisdiction associate themselves with this very important industry in the United States.

I found that to be a very interesting visit and enlightening to find that there is a very strong dialogue between the private sector and the trucking industry in particular and the colleges and universities. As I will be reporting again at greater depth in the near future, there are many courses offered in the universities that provide opportunities to people going through the learning institutions to have an opportunity to become aware of and learn about and, in fact, embark upon a career in the trucking industry.

This is emerging in this jurisdiction but not to the same extent as it prevails in the United States and I would hope that in the future more of the colleges and universities will be offering courses in this field, because indeed it is of such a magnitude that greater opportunities should be made available to the coming generations.

With those few brief remarks, I will terminate my comments at this time in order to give the minister an opportunity to speak to the interim report.

Hon. Mr. Snow: Mr. Speaker, I have only a few remarks I would like to make regarding the interim report of the committee. First, I would like to compliment the chairman and the members of the committee and the staff on a very busy summer that they put in. I know how complicated and how deep the subject is, and I know they had to do a lot of work and a lot of reesarch just to familiarize themselves with the depth and breadth of the particular problems that we're dealing with. I know they'll have considerably more work to do before they are in a position to bring forward their final report.

I do assure the members of the committee that this report is not being treated lightly. I have reviewed the report, and my staff have been working on the report since we received it. I do not feel, because of the lateness of the tabling of the report and the restrictions on the time this fall, that we're going to be able to deal with legislation this fall. But I do want to finalize matters and make some decisions prior to the opening of the House again next spring.

I do object to some of the comments of the members opposite relating to the Rapoport inquiry and the suggestions that only two or three minor items were lifted from that report and implemented. I won't accuse the hon. members of deliberately misleading the House, but certainly someone has misled himself—probably that is the best way to put it. I understand that of the 43 Rapoport recommendations—I believe there are 47 recommendations in total, but some of them dealt with the industry itself and did not deal with the government—some 25 of them, including the major ones, have been implemented.

I was also interested in the comments regarding this reciprocity and the horrible way my ministry and myself have treated our friends from Michigan. I find that difficult to accept and difficult to even understand. I have had no personal letters from anyone from the state of Michigan. There has been much correspondence at the staff level.

Mr. Reid: It was the member for Scarborough Centre who raised that.

Hon. Mr. Snow: There has been much correspondence at the staff level but obviously, because the public service in Michigan didn't get the answer they wanted from us, then there's a lack of communication. I guess that is the way of it.

There are two or three things on which I will be coming back to the committee and asking for clarification as to what the committee had in mind relating to the report. Much of the report I have no trouble with and I can accept without any problem. But there are two or three questions.

One relates mainly to the recommendations of grandfathering-in all the unlicensed carriers that were in business on October 1 and had been in business for two years. What about the unlicensed trucker who had been in business for a number of years but was put out of business on September 29 because of regulations? In other words, the enforcement of the ministry is not what I guess we would like it to be; if we had been able to enforce everything in the legislation, we wouldn't have the problem we have now, but we couldn't. However, there are illegal operators who were put out of business because of enforcement. It looks to me as though the guys who got away with it a little longer are going to be grandfathered-in. In effect, we would be saying, "You are good boys. Here's your legal licence. Go to town." But I'd like to know what the committee really wants to do with the poor fellow who's out there.

Another little matter: What do we do about the proud owners of licences, the licensed truckers who are operating outside of their licence? The licensed truckers aren't all saints either. They may have a licence—

[5:00]

Mr. Reid: Careful. Careful.

Hon. Mr. Snow: They may have a licence to operate on certain routes, but we find that there are licensed truckers who are carrying on illegal operations outside those they are presently licensed to carry on. Would you grandfather those illegal operations run by the licensed truckers the same as you would the ones that are not?

Mr. Reid: It is only fair.

Hon. Mr. Snow: I would like to know what the committee feels on this.

Mr. Speaker: May I point out the time has expired?

Hon. Mr. Snow: Yes, thank you, Mr. Speaker. Everybody else seemed to have lots of time.

Just a couple of more things. I would also like to know—

Mr. Speaker: We have to start the private members' hour at 5 o'clock.

Mr. Reid: Just let him wind up.

Hon. Mr. Snow: Let me have one moment will you, Mr. Speaker?

Mr. Speaker: May we extend it a moment?

Agreed.

Interjection.

Hon. Mr. Snow: The other matter: I don't disagree with the recommendations of the committee in trying to bring some sort of a conclusion to the problems that are in the industry now, but if we do this then does the committee feel that the general provisions of Bill 4 or a modified Bill 4 should be part of the regulation to stop this whole thing from happening all over again? I won't be here and probably the members across there won't be here either, but I don't want to see some minister coming here 10 years from now debating this thing all over again and grandfathering-in another 500 illegal truckers because of that. So I think I would like to get some comment; and I will be bringing forward some questions of this type to the chairman of the committee, who I hope will call a special meeting of the committee to clarify some of these points for us this fall so that we can work on this during the break.

Mr. Speaker: This item is discharged from the order paper.

PRIVATE MEMBERS' HOUR:

WORKMEN'S COMPENSATION AMENDMENT ACT

Mr. Bain moved second reading of Bill 178, An Act to amend The Workmen's Compensation Act.

Mr. Bain: This evening it gives me great pleasure to rise and debate Bill 178, An Act to amend The Workmen's Compensation Act.

I am pleased to see the minister here. I look forward to some constructive exchanges between us. I will attempt to be non-provocative in the hope that the minister will reciprocate and that we can make some constructive changes.

I believe that the Act itself, although initially a good idea when it was first brought in in 1914, has retained many of the implications that would better have stayed in 1914 and not be found in 1976. One of the things that I find with the Act is that there is a tremendous amount of burden of responsibility upon the claimant and that sufficient benefit of the doubt isn't given to the claimant, but I know the minister's position on that so we won't debate that. What I would like to focus in on would be the three ways that I feel The Workmen's Compensation Act could be constructively changed to better enable the injured worker and his family to receive justice.

First of all, Bill 178 would remove the requirement that a recipient must either be 100 per cent permanently disabled to receive an award, or die in order to receive a pension. It would also make sure that a claimant had access to his compensation file. It would also entitle any worker who contracted an industrial disease to receive compensation for that disease, whether the disease was disabling or not.

The reason I find the Compensation Board most difficult is because of the personal experiences that one runs into. In my short time as a member—and I would be most willing to concede that my tenure in this House has been short but I think the minister's has been equally short so I think we both have a lot to learn about the Workmen's Compensation Board. I have been very struck since my election in September, 1975, by the number of people who have not received justice from the Workmen's Compensation Board.

I know that members on the government side also deal with compensation problems and I don't know why we still see the same injustices perpetrated time after time by the Workmen's Compensation Board. I would think that any member sharing the same feeling of injustice to injured workers from his or her riding would immediately want to see changes made in the Act or in the way the Act is administered.

One of the problems we run into is that often people who are not receiving a full 100 per cent disability pension or do not die from the disease they are receiving compensation for, don't receive a pension for their dependents upon their death. I found this to be a great problem because, as I am sure the minister will appreciate, many wives who survive their husbands who may have worked in the bush or especially in the mines in northern Ontario, would much prefer a compensation pension to receiving assistance from community and social services.

The minister may say it would be the same amount of money and in many cases, sure, it would be. I know widows who would prefer to receive a smaller pension from the Workmen's Compensation Board than the amount they receive from the Ministry of Community and Social Services. The reason for this is that a pension from the Compensation Board doesn't carry any social comment with it.

Unfortunately, there still is an implication in this province that if one is receiving assistance from the Ministry of Community and Social Services in some way it is something one does not totally deserve. To use the jargon, it is welfare or it is a handout. Many dependents of injured workers would feel much better about receiving a Compensation Board pension and I think that is only fair.

Let us say for the sake of argument that we have two miners who have silicosis; one is receiving a 90 per cent disability pension and the other is receiving 100 per cent disability pension. Both of them are killed by something totally unrelated to the compensable disease. The minister readily realizes that one, the gentleman receiving the 100 per cent disability pension, will receive that pension for his wife, whereas the person receiving a 90 per cent disability pension will not because he didn't die of the silicosis for which he was being compensated. There is example after example on record of this situation.

At Johns-Manville in the city there is a case on record in which a worker was receiving a 40 per cent disability pension for asbestosis yet he died of a heart attack. That particular case was appealed through every avenue of appeal open to the widow. The board was adamant. The worker did not die of anything related to the disease for which the worker was being compensated, therefore there was no pension.

I think this has to be changed. I think it is only fair, if a person is receiving a Compensation Board pension that upon his death, regardless of the amount of the pension, regardless of the reasons for death, the pension automatically goes to the dependents.

The other item which I feel is also very important is access to records. Access to one's Workmen's Compensation Board file appears to be a very nebulous sort of thing. The minister might say that according to the present Act there is nothing which restricts a worker from having full access to his Workmen's Compensation Board file but the way the board operates is quite different.

I have had contact with the board and people in administration say: "In general, a claimant himself does not have access to his file except for the summary of information. This is due to the fact that he would not be able to discriminate as to what he should or should not see."

If the claimant himself can't discriminate as to what he or she should or should not see, who can? This person is the one who ultimately is responsible for shepherding his or her claim through the whole labyrinth of the Workmen's Compensation Board.

The board does allow certain people to see portions of a file or, perhaps, if they are fortunate enough, to see all of the file. For some reason, MPPs are allowed to see files. Union representatives and doctors are sometimes allowed to see files. But the claimant himself can only see the file at the discretion of the board.

It's obvious this should be changed. The claimant should have total access to his file—and not just a claimant here in Metro Toronto. Even if we said that a person would be welcome to come down and see all their files on him, that would really restrict it to people here in the city, unless the minister was willing to say that any person from any place in the province would be able to come down and see his file and the Workmen's Compensation Board would pay for those expenses.

Mr. Speaker, might I interject? We did start a little late. Is there going to be any compensation for time? How much extra?

Mr. Speaker: We'll try to give you your 20 minutes. Quite often a speaker doesn't take up the full allotment of time, but we may work it out that way.

Mr. Bain: How much time are we talking about?

Mr. Speaker: Two minutes after.

Mr. Bain: Okay, very good; because there are other people who would like to speak, I don't want to go too much over my time.

But it is sufficient to say that claimants from all across the province should be allowed to have total access to their file, everything in their file, and anyone the claimant designates should also have access to the file.

The other item that I would like to deal with is where a person contracts an industrial disease. I think it's evident that the board tends to operate from the point of view of whether it's disabling. I asked the minister a question about this, and she said the Workmen's Compensation Board does not necessarily restrict payment to a disabling disease. But what she really said was whether or not it might become disabling in the future. Therefore, there has to be an element of disability involved.

I would submit that any worker who contracts an industrial disease should be compensated for it, whether or not he or she is able to continue working. I would like to

read one little part from a summary of information that I have here on a constituent. I'll cover two points by reading this excerpt:

"What the physician did not state is that the man was a heavy smoker for 50 years, had bronchitis and asthma since the age of 10. With such a history, it is not at all surprising that he could not pass an army medical. Gassing underground in 1929 cannot be assessed today because he did work for another 26 years after that, so it could not have been too severe."

Two things here; the first is really an aside: I don't really appreciate gratuitous remarks by the Workmen's Compensation Board in these summaries of information. The board has already said that smoking is not considered in disallowing a claim; if it's not, why does the board bother to mention it in the summary of information? The second thing is, this person was gassed underground, and the board didn't feel that he should be compensated for that; after all, he was able to work another 26 years, so the board says it couldn't have been too severe.

In this particular case the only way that man managed to survive—and everyone will recall that in 1929 if you didn't work you couldn't support your family—was that he worked underground for 26 more years by the sheer strength of his own personality and a commitment to his family. In the later years of his life, while he was still working underground in that mine, all he could do was perform basic duties on the job. He came home every night, and it was all that could be done to get him enough rest that night. His wife would give him medication and some food that he could get down. He could barely get rested enough to drag himself to work the next morning to perform his job. He could still work, but only because of his own personal inner strength.

I feel anyone who contracts a disease on the job should be compensated.

[5:15]

Mr. Haggerty: Mr. Speaker, I want to speak on Bill 178 and to support the bill in principle. The first amendment, in section 1, refers to section 42(7); the intent of the amendment is to delete "the underlined words, thereby having the effect of extending compensation entitlement for pension purposes to include less than 100 per cent disability allowances."

We in this particular party, the Liberal Party, have indicated in the Legislature on a number of occasions that survivors' benefits under the existing Workmen's Compensation Act were inadequate. The present programme has not kept pace with the current economic difficulties facing a great number of families whose main provider has succumbed to a fatal occupational accident, leaving many survivors and dependants destitute, sometimes turning to welfare for assistance; some are forced to liquidate their assets to survive.

Studies in other countries have indicated that in this province the death payments are the least generous in loss replacement of all workmen's compensation benefits. In Ontario benefits in this area have fallen behind considerably. They have not kept pace with the cost of living. The economic burden of inflation takes its toll with those persons and families of an injured worker receiving benefits under the present Workmen's Compensation Act.

With all the present schemes available for Ontario's labour force for some guarantee for a basic social insurance, it still falls far short of its objective of providing sufficient income to families to maintain a decent support level of income. We have, for example, health and accident insurance to cover many employees in Ontario on the job and off the job. We have unemployment insurance and there are sick benefits. We have Canada Pension Plan. We have the private insurance, and there are other schemes of halfway measures to support injured workers' families.

Often when a member is assisting in an appeal, a member of the board will suggest the Canada Pension Plan for assistance, but that is as far as they go. There is a lack of co-ordination in the systems. Some widows or dependants do receive benefits from the Workmen's Compensation Board and there are some who do receive Canada Pension along with it, but a great number are not that fortunate to be able to be assisted in this direction. This does cause economic hardship to them.

I believe the minister must adopt a new approach in this area and it seems reasonable to accept a plan integrating the present programmes that are available—the Canada Pension Plan benefits and the Workmen's Compensation Act benefits—to provide a measure of economic security for survivors. The present programme falls far short of maintaining a decent standard of living for the injured workers and their families. For example, a person was deceased and the survivor had to pay mortgage payments and you know how high they are today.

If you look at what is provided as the widow's allowance today under the Workmen's Compensation Act—what is it? Widow's

or widower's, I should say—$260 I believe it is, $70 for a dependant. If the average family is about four, you are only talking about $500 a month, not much more—far less than most persons receiving old age security; in fact in some cases they don't have enough. In comparison you can see the position that you put a number of families in under the present scheme; that is, an income insufficient to maintain a decent standard of living.

I suggest that the minister should be looking at a consolidation of all the different programmes that are available for persons employed in industry so that they have one decent programme for survivors. I think the minister should be looking in that area. Often an employee working in industry contributes to a number of schemes. Sometimes he has to pay for part of that scheme himself. But it is unfortunate when he is injured, either at home or in industry, that there isn't sufficient income. It's perhaps time we had a complete consolidation of all these programmes and worked out a better uniformity in our schemes for disabled persons and their families.

The other matter concerning the second section of the amendment to the Act, section 2, the new section 99 entitles an employee to reasonable access to materials relating to the employee filed with the board.

On a number of occasions when I have appeared before the board these files have been available to me but again, as a layman, I don't understand all the medical terms. I think if the board is going to allow what is suggested here, perhaps all the information should be sent back to the family doctor. The injured worker has more of a dialogue with his family doctor and perhaps he can assist the worker on where the problem is and what might be of some assistance to him for further appeal.

I look at this particular section but in some cases when I have appeared before the board there have been other problems which were not related to the accident. I wouldn't want me or somebody else to be in the position of saying: "This is your problem here." I think there should be more dialogue with the family doctor, and more information sent to him; perhaps he should have all the records on file. If the claimant wants to review them in the doctor's office I think they should be open to him and he can advise him accordingly.

The other matter concerns the amendment which deletes "The words underlined, thereby removing the disablement prerequisite to entitlement to compensation, permitting compensation for any occurrence of industrial disease caused by his employment." I can say that we have this party, the Liberal Party, on record as saying that when a person has come down with an industrial disease, compensation should be paid in full.

Under schedule 3 it's limited to a number of certain industrial diseases. I suppose when we relate it to silicosis it still leaves us up in the air as to whether the person is entitled to compensation for that particular industrial disease. I think, in this particular area, the minister should come in—I'm sure the report of the royal commission on health and safety of workers in mines, the Ham commission report, has it there in sections 22, 24, 25, 32 and 110.

I should read in particular one section, section 53, of The Workmen's Compensation Act, which should be amended as necessary to provide a clear entitlement for rehabilitative compensation based on the principle of work adjustment for a person subject to exceptional exposure through environmental hazards at work. I suppose if we want to interpret that further there are a number of industrial diseases not covered by Workmen's Compensation.

He suggests that when the risk is there, full compensation should be paid regardless of what the occupational disease may be. In this particular area I think it's important that it is broadened and the worker should be compensated for any injury or disease which follows his occupational environment.

In one particular area I find The Workmen's Compensation Act is not quite clear and I think it is rather restrictive in the particular area as it relates to heart diseases and vascular diseases. If one works around certain foundries or steel companies where there are carbon monoxide gas and toxic agents a number of persons I'm sure—it's been proved in other countries—have come down with heart diseases.

Hon. B. Stephenson: It's not proved. It's theorized.

Mr. Haggerty: The minister shakes her head, no. I can cite one particular instance in an industry in the city of Port Colborne. I'm just quoting from memory now but the Port Colborne fire department was called in for rescue work and on three instances they picked this man up lying on the railroad track right next to the stoves. This is where they recycle the gas in the open furnace so it can be burnt again. This is very deadly gas. Three times he was picked up there in different years.

This person is not employed today because he has vascular diseases—a heart condition. Studies in Europe and even in the United States indicate that this can be one of the contributing causes—occupational hazards in this field.

I know under the existing legislation there have been perhaps one or two occasions in which you have allowed claims for heart diseases, and those relate perhaps to policemen or firemen.

Mr. Speaker: The hon. member's time has expired.

Mr. Haggerty: So soon? I just got going, Mr. Speaker. But we do support the bill in principle and I think any changes in the Act today will make a vast improvement to workmen's compensation claims.

Hon. B. Stephenson: Mr. Speaker, I'm pleased to participate in this debate on the bill introduced by the hon. member for Timiskaming, to whom I should like to announce that my association with the Workmen's Compensation Board has been very much longer than his. It has not been one year plus two months. It has, in fact, been almost 30 years as a practising physician during which I had, certainly, regular dealings—

Mr. Kerrio: You're not that old.

Mr. Conway: You're not that old.

Hon. B. Stephenson: Thank you, gentlemen. That's very kind of you indeed, but I'll confess it right now.

The bill which has been introduced by the hon. member for Timiskaming and seconded by the hon. member for—is it Cochrane something?

Mr. Bain: Algoma.

An hon. member: The northern alliance.

Hon. B. Stephenson: My humble apologies. The bill is interesting in a way in that in the first section of the bill the hon. member is proposing that any worker receiving any pension at all or any disability pension from the Workmen's Compensation Board should, if he dies of any cause, ensure that his dependants would receive a 100 per cent dependant pension from the Workmen's Compensation Board.

Mr. Bain: Just receive the pension he received.

Hon. B. Stephenson: The individual who is receiving a disability pension at the level of 100 per cent ensures that his dependants will receive that level of dependant benefits.

Mr. Bain: Any pension?

Hon. B. Stephenson: In many instances where there is a causal relationship established between the death of the individual and the disease or the injury, for which the worker has been given a disability pension, the Workmen's Compensation Board pays not just what the worker would have been receiving but a dependant benefit of the same order as they would have received had he been pensioned on a disability pension of 100 per cent.

I would like to draw the hon. member's attention to the effect of removing the two sections which he has suggested. If a worker has had, say, a thumb amputated, he probably and very likely will have a permanent disability pension of the order of approximately 10 per cent. The effect of removal of these two phrases within the section, which the hon. member is suggesting, would be that if that individual were run over by an automobile, having had that 10 per cent disability pension, his dependants would receive from the Workmen's Compensation Board, for an accident totally unrelated to his disability and totally unrelated to his work, a 100 per cent dependant pension.

Mr. Bain: No, just 10 per cent.

Hon. B. Stephenson: But that can't be done without modifying another section of the bill, because the amount of dependant pension is statutorily set; it is the same for all dependants, whether the individual was pensioned or had a disability pension of 50 per cent, 75 per cent or 100 per cent. The dependant benefits are equal to all dependants. Therefore, I think it would be unwise at this time to consider the kind of amendments which the hon. member for Timiskaming is promoting.

It would seem to me much wiser to consider the effect of producing a pension scheme from a general revenue source, as is done for those individuals who have served in our country's armies. They may have a very small pension from the armed services but, no matter what the cause of their death, in times of hardship they may be given the full pension. This is granted on the basis of service to country, and it is extracted from the general revenue fund.

But to extract from the fund of the Workmen's Compensation Board, which I would remind all members is supplied totally by the employers of this province, a benefit fund

for widows and children of individuals who have died from causes totally unrelated to their work or work experience, I think is probably quite inappropriate. If we wish to look at another form of providing these benefits, then I would be very willing to do so, but in the meantime I think that it would be entirely wrong to delete the sections which he hon. member is suggesting be deleted in order to ensure that a worker's family received the total benefit under Workmen's Compensation Board dependency benefits for any cause at any level of pensionable disability.

[5:30]

Mr. Speaker, I have to tell you that I'm a little bit surprised that section 2 is included here, because I thought that the hon. member for Timiskaming had received all of the information that he needed from the Workmen's Compensation Board. I am surprised, as I said, that he is still questioning the amount of information which is provided by the Workmen's Compensation Board.

I should like the hon. member to know, and all hon. members in this House to know, that indeed the Workmen's Compensation Board in this province provides more information to claimants than does any other workmen's compensation board in Canada, or any other in the United States that I am aware of. Through a number of sources, including the worker's advisers, through the individual officers of the Workmen's Compensation Board, a number of pieces of information are freely available to all claimants.

Medical information is entirely available to all claimants through the claimant's individual physician, because I would remind the hon. member for Erie—I'm probably in the wrong area again—

Mr. Haggerty: That's right.

Hon. B. Stephenson: Is that right? Thank you—that indeed all reports of consultations, all reports of medical examinations, are submitted by the board to the individual claimant's physician—to his personal physician. That information resides with that personal physician and at any time the claimant is free to approach his personal physician to request explanation of or exploration of all of the medical information there.

I think it would be very unwise to—

Mr. Good: And his doctor tells him one thing and tells the board something else.

Hon. B. Stephenson: The documents are sent to the physicians precisely for that purpose, so that indeed the individual claimant can see the information which has come from the consultants, with the assistance of his physician.

There are some reports, I'm sure, which will be indecipherable to some claimants and they would need the assistance of their personal physician to make some sense of some of the statements which are contained therein. But in addition to that it is entirely possible that some of the consultants' reports would be terrifying to some of the claimants if they read them without the assistance of someone with some expertise in the medical field.

As well as that, I think it would be very unwise to broaden the availability of any medical information to anyone other than the individual's personal physician, because, as was suggested earlier, it is quite possible that this might become much more public knowledge and might not in fact do the claimant any good at all. There may be information within that documentation which the claimant would much rather have no one else in the community—or even within his family—aware of. It is quite possible that unless the confidentiality of medical documentation is maintained, that the privacy of that individual may be violated rather dramatically.

Thus it is that the Workmen's Compensation Board in Ontario has, I believe, bent over backwards to make sure that as much information as it is possible to provide is available to each and every claimant individually. This, I think, is a reasonable situation and I hope will continue.

I would remind the hon. members that there was a good deal of activity in this area several years ago led by a Mr. Ison, from the faculty of law at Queen's University, who later went on to become the chairman of the Workmen's Compensation Board in British Columbia. When the Act was amended in British Columbia, he ensured, and in fact devised a treatise of some length to ensure, that the freedom of information which is granted under The Workmen's Compensation Act in this province would not be repeated in British Columbia. Indeed, the strictures there are much greater than they are within this province. May I have one moment to deal with the final question?

Mr. Speaker: You have about 20 seconds.

Hon. B. Stephenson: Twenty seconds. Oh!

The provision of a disability pension for lack of disability is indeed a total anomaly.

As the hon. member for Timiskaming knows, the Workmen's Compensation Board provides medical benefits and provides compensation for any worker who develops an industrial illness during the period that he is away from work. But if he is not permanently disabled, and if indeed he is able to continue his employment, then I wonder how we can use the concept of providing compensation or a disability pension for the non-disabled individual?

As the hon. member obviously knows, in the programmes which are being carried on at Elliot Lake and in other places and in the silicosis programme, an individual who may show dust effects only and has no sign of disability is enabled by funds from the Workmen's Compensation Board to change his employment in order that he may remove himself from the dire effects of the area in which he is working and take on other employment. It is a programme which has been initiated by this Compensation Board. It is unique in this world and I think it is a very good one.

This is providing a form of compensation, if one likes, for individuals who are not disabled and this we feel is valid. But to say that we are going to provide disability pensions for people who are not medically disabled, who have no loss of income and have no problems I think is a total anomaly and cannot be supported.

Mr. Lupusella: Of course, I completely disagree with the statements of the Minister of Labour.

Hon. B. Stephenson: That's natural.

Mr. Lupusella: I hope it is very understandable in view of the fact that the factual explanations which she has been giving us are not correct. In view of the limited time which—

Hon. B. Stephenson: They are indeed entirely correct.

Mr. Speaker: Order, please. I think the hon. member should not make a statement like that.

Mr. Lupusella: The Minister of Labour is always disagreeing with us so I am not surprised what she has been saying in the House.

To get to the core of the problem, I had better talk today. I hope that on December 13 we are going to have a better opportunity to exchange our ideas in relation to the activity of the Workmen's Compensation Board when we discuss the budget of the board.

Hon. B. Stephenson: It is not to discuss the budget of the board. Mr. Speaker, on a point of order, that committee does not discuss the budget of the board.

Mr. Lupusella: We are going, on December 13—

Mr. Speaker: The hon. member for Dovercourt will speak to this bill, thank you.

Mr. Lupusella: In view of the limited time which is available to me, let me talk for a while about the freedom of information.

I am very pleased today to speak on this private member's bill introduced by the hon. member for Timiskaming. It is my duty to support strongly the principles involved in this bill not only in my capacity as an official critic of the Workmen's Compensation Board for the New Democratic Party but primarily because this government has a great responsibility in dealing with problems relating to injured workers.

In my budget debate speech of June 21, 1976, I pointed out to the government that it is time to make changes in The Workmen's Compensation Act. Therefore, the bill introduced by my colleague from Timiskaming is one to which the government should give its consideration, to alleviate the bad feelings and needs of injured people when they are dealing with the present cumbersome bureaucracy existing within the Workmen's Compensation Board structure.

When the Act establishing the Workmen's Compensation Board was passed by the provincial Legislature in 1915 its first scope was to help, on a humanitarian basis, those unfortunate enough to have suffered injuries on the job.

Since then the Act has applied an adversary system toward injured workers by favouring employers, big companies and the corporations. The Progressive Conservative Party hasn't been very concerned with making radical changes in the Act in order that injured workers may gain some of the trust already lost since The Workmen's Compensation Act was enacted.

One way in which the board is very adverse to injured workers, besides other problems, is when they are requesting to see their files. The bill is going to cover this loophole presently existing in The Workmen's Compensation Act. There is no doubt in my mind that an injured worker should have access to his files and other materials filed with the

board concerning that employee. Besides that, there is no specific provision in the Act which says that an employee can see his file whenever he wants. This bill gives the right to the injured worker to have full access to material in his file.

Up to the moment the board has a policy that you can only see the file through a special arrangement with the board officials, especially when the case is under appeal. The Unemployment Insurance Commission is more flexible in this regard. If a claimant wants to see his file while he's getting benefits from the Unemployment Insurance Commission, he just has to go to the Unemployment Commission office. Their officials don't object. Why can this kind of a flexibility not exist with the board? Why is it that the claims officers won't show their medical reports on which they based their decision when granting or denying benefits to injured workers?

Hon. B. Stephenson: He doesn't see all the documents.

Mr. Lupusella: I think that is a very disgraceful deprivation of a right to injured workers when they are in the process of defending themselves.

Because of the limited period of time available, I won't be able to pursue other items which my colleague from Timiskaming has incorporated in his bill. One thing which I want to emphasize is that the board is supposed to use some humanitarian sense in making available to injured workers information received by doctors and specialists. My frustration has reached a peak level when dealing with the board. I'm sure, as I stated in previous speeches—and I think my colleagues will support me in this—that the board is making injured workers' lives very hard and I don't think it's too strong to say that the Workmen's Compensation Board is the most disgraceful branch of this government.

This bill is going to alleviate, at least in part, the difficulties in getting information from the board and will relieve the difficulties imposed on poor injured workers who do not know the channels of defending themselves for lack of information.

The one thing I would like to make clear today in speaking on this bill is that there are a lot of heavy flaws in The Workmen's Compensation Act, a lot of inefficiencies, a lot of loopholes. We must find ways to avoid these loopholes and inefficiencies by pushing for changes. I can assure you that if we form the government some day, the Workmen's Compensation Board will be completely abolished and a universal insurance plan will be introduced to replace it which will be sensitive and more humane to the needs of injured workers in the province of Ontario.

Mr. Sweeney: I rise to speak to this bill and to support each of its sections. I rise to support the basic principle of each of the three sections. Whether or not the same result could be achieved in some other way, I am not free to say, so I am supporting the principle.

I do so for a couple of reasons. The first one is that in the short time that I've been in this Legislature I have more concerns brought to me by constituents dealing with the Workmen's Compensation Board than any other agency of the government. As a matter of fact, the very first three concerns I had brought to my attention the day after I was elected were three cases that had been in abeyance, shall we say, or had been in the line of action with the Workmens' Compension Board for upwards of three years. Now after a period of seven or eight months each one of those cases were eventually satisfactorily settled, but it did take an awful long time to do it.

Mr. Davidson: They probably cut them off again.

Mr. Sweeney: I'd like to speak very briefly to each of the three sections.

First of all, I support the first one because the whole issue of degree of disability is one that seems to be creating more problems than anything else. Even the medical profession itself very recently had a short article in the Ontario Medical Review, September, 1976, in which they, as doctors, indicated their concern about the position they often found themselves in, in assessing the amount or the percentage of disability. We're talking here of 100 per cent, but I think we can talk about that whole range of percentage of disability.

[5:45]

I believe very strongly that when a husband and a father and the breadwinner of the family dies, whether or not he has been 100 per cent disabled, whether or not he had 100 per cent pension, whatever he had at the time of his death should continue. There should be some kind of a continuing link with the breadwinner—and I am speaking here primarily of the father, although I suspect it could be the mother as well—so that the breadwinner somehow should continue in the life of the family. The wife, in this particular case, and the children should appreciate the fact that the income or the

support maintenance that was coming to their family as a result of their father and their husband should be continued. There should be that kind of continuing link.

I also believe that we should recognize, as I discussed a minute ago, that this whole question about the degree or the percentage of disability is one in which there is a great deal of controversy, a great deal of concern and very frequently a lack of agreement. For that reason I am supporting section 1.

For section 2, dealing with access to materials, I would start off by saying that I personally have not had any difficulty when approaching the board to get the kinds of materials that I need to assist my constituents. I don't think that's the question here. I also don't have any examples that I can quote where individuals, when they finally went all the way down the line and literally demanded to see certain pieces of their file, weren't allowed to see them.

I think there are two questions here, though. The first one is that quite a number of my constituents, rightly or wrongly, have the perception that they cannot see the file; that somehow or another there's a great deal of secrecy there. I would repeat: Whether that's correct or not, that's the perception that they have given to me. When I have dealt with them a little bit longer and have been able to get some of the information that they were looking for, this somewhat relieved them. I guess the point I am trying to make is that out there in the world beyond this Legislature, there are a lot of people who have been involved with the Workmen's Compensation Board who do not perceive that.

The second point I want to make is that seeing bits and pieces of a file is not always the best way, because quite obviously the board bases its decision on the totality of the file, on everything that's there—all the little bits and pieces that go together to make up the final picture. It has also been expressed to me by some of my constituents that they are never really sure why the final decision was made the way it was, because they didn't have access to all the pieces that someone somewhere put together to come to a decision.

I would like to suggest to the minister that some provision be made for the people who are dealing with the Workmen's Compensation Board to be able to sit down with someone, whether it is here in Toronto or whether it's in the various district offices scattered throughout the province—and surely that's one of the roles those offices can play—with their total file. I agree with the minister that the individual by himself or herself could very well be confused in trying to read the file alone. But I do feel that the ministry has competent people in its local office and its regional offices who could sit down with the individual, go over the file and be sure they fully understand all of the factors that are being taken into consideration. It is my perception that there are times when that does not take place and the person, maybe unnecessarily so, feels aggrieved by the decision because they didn't have the information available to them.

On section 3, the whole business about industrial disease, I want to base my total comments on the first line and the first word of the second line, "where an employee suffers from an industrial disease." In other words, we are starting out with that presumption that in fact the employee has contracted an industrial disease. That's the base upon which I am starting. Whether or not that employee is physically disabled and whether or not he or she still is able to continue to work, obviously he or she is less than a full person. There is the mental anguish, if nothing else. There is the psychological and emotional trauma that that person has to go through, knowing that they are carrying within their body a disease which somehow or another is not going to enable them to reach their full potential as a human being, even though they are able to continue to work and to earn money. I believe that they are eligible for some compensation for that kind of mental anguish, that emotional trauma, which they carry with them for maybe 30 or 40 years of their life.

Let me repeat: I am starting out from the assumption that this says, ". . . suffers from an industrial disease." They actually have the disease.

Mr. Haggerty: Chronic bronchitis is not covered.

Mr. Sweeney: Whatever the case may be, we as society owe that person something. I think in all three of these there is an underlying concern which somewhere, somehow in this Legislature we are going to have to deal with. That is the funding because I believe—correct me if I am wrong—that one of the reasons the government has to look so often so carefully at what it can do with this board is that the total funding has to come from the employer.

Somewhere down the line we have to draw a limit as to how much we can take out of the employers. Somewhere, we are going to have to speak to the whole issue about fund-

ing this in a different way. Whether we are talking of taking some of it out of the consolidated revenue fund; whether we are talking of some form of insurance scheme, such as has been suggested by my colleagues to the right, I am not sure what the final answer is.

I do know that as long as the present funding mechanism is going to continue to prevent us from making some of the needed and essential changes in this legislation, we should be looking at the funding mechanism as well. I think that has to be tied in with all three of these sections.

I close by saying that I support the principle of these three amending sections. I think that as the Act stands now we are doing a disservice to some people who have to deal with the Workmen's Compensation Board.

Mr. Williams: I appreciate the opportunity to speak to this bill and join with the Minister of Labour in opposing the bill in principle as presently laid before us in the House this afternoon.

The reasons for opposing the bill have been stated by the minister. In speaking to all three sections of the bill, which I will be referring to, the one section which is of particular concern to me and one which is far-ranging and all-encompassing is the one dealing with the proposed new section 2.

This section, as worded, certainly goes far beyond the specific wording of the existing sections in the legislation. It goes beyond, it would appear, simply requiring that certain medical or other professional information of a medical nature be provided. It suggests at this point in time that an injured worker may be prejudiced because of the existing circumstances and degree of confidentiality which are retained under the present system.

If we look at the section it does not restrict itself, it would appear, simply to having total access to medical advice but rather, as the section says, " . . . to all reports and other materials filed with the board concerning that employee." As the minister stated earlier, no other comparable board in operation in this country provides as much information and makes as much information available to claimants in assessing their case so that they can have a full understanding and appreciation of what factors have gone into the board's arrival at such a decision as it may in an individual case.

There is just cause for maintaining a degree of confidentiality with regard to the doctor-patient relationship. There are very few instances of confidentiality in law in society today. It appears that of the areas where a degree of confidentiality is retained and recognized in law, one exists between solicitor and client; one exists between doctor and patient; and I suppose there are one or two other situations which prevail, too. The number of situations in which this degree of confidentiality is recognized and retained certainly can be counted on the fingers of one hand. The type of section we have before us in section 2 is a lawyer's delight, if I might say that. Wherever one finds legislation that contains a word such as "reasonable," there we have the makings for more litigation, more discussion and more debate than we'll find under any other given circumstance.

Mr. Davidson: You must be against Bill 139.

Mr. Williams: I can assure you, Mr. Speaker, that this type of phraseology in legislation is a lawyer's delight, because it keeps lawyers employed from one year end to the other.

The use of a term such as "reasonable" is subjective at best. In all instances where this word is used in relevant sections of legislation, it provides hours of discussion and argument in the courts of law. This has become so well known in the legal profession and beyond, that this is one particular term that lawyers today avoid and strongly urge the legislators to avoid using for this very reason.

I think lawyers are busy enough without having to have additional extra work burdened upon them because of the ambiguities and uncertainties of such phraseology being used. It tests not only the wisdom and judgement of members in the legal profession, but members of the bench. Certainly many judges have found that in final summation they themselves have had to apply some degree of subjectivity to giving an interpretation as to what fact was reasonable—not in the eyes of a claimant or in the eyes of a defendant, but in trying to apply an objective interpretation of what in fact is reasonable.

This section in itself I think is just cause for speaking against the bill, because it creates more uncertainties and more ambiguities than it was intended—I think in good faith—to resolve.

It has been pointed out on a number of occasions in this House that the board has been well aware of the fact that there is a potential for an injured worker being prejudiced if they didn't have as much information as possible. With this confidentiality position being maintained—in fact,

Mr. Speaker, as you would well know, this has been upheld in the courts—with this degree of confidentiality being maintained, the board has developed a system of providing summaries of information to injured workers, including the pertinent segments of medical reports, as an acceptable substitute for total and complete access to medical information. I think a reasonable and practical way of resolving a potential difficulty has been worked out from past experience and practice by the actions that are presently applied by the board.

Mr. Davidson: You find it reasonable.

Interjection.

Mr. Speaker: Order, please. The hon. member for Oriole only has the floor.

Mr. Williams: Where an employee does wish full access to contents of medical reports, again I can only stress that these reports should only be disclosed—and this was stated by the minister earlier—by the attending doctor, to provide a full understanding of the medical history or status of the injured worker. Only in this way, I think, can the board gain full and complete information from a medical practitioner who feels a degree of protection, thereby providing an atmosphere in which a doctor can fully and completely report in his medical judgement as to the actual degree of injury, permanency of injury and all other facets of the injury that have been experienced by the worker. Were it not for the degree of protection provided, I think medical doctors would be reluctant to be as frank, forthright and complete in reporting as is required and prescribed under the legislation.

Mr. Speaker: I would point out that the time has expired.

Mr. Williams: Certainly that section alone gives me cause to oppose the legislation. In concluding I would reiterate what the minister has said, that certainly no disability payments should be payable where no disability exists, as she referred to in speaking to the third section of the proposed amendment.

Mr. Bain: Let's vote on the bill.

Hon. B. Stephenson: Mr. Speaker, I wonder if in the absence of the Minister of Culture and Recreation (Mr. Welch), I might table copies of the letters which were requested today in the Legislature; these are from the Minister of Culture and Recreation.

Mr. Speaker: Yes, that would be in order.

Hon. B. Stephenson: May I also indicate to the Speaker and to the members of the House the business for tomorrow. There will be supplementary estimates of the Ministry of Health—hopefully the minister will be available tomorrow, he happens to be ill today. Following that there will be second readings of Bills 171, 168 and 169, and following that, committee of the whole House on Bill 139.

On motion by Hon. B. Stephenson, the House adjourned at 6 p.m.

APPENDIX

(See page 5393.)

Answer to a question was tabled as follows:

154. Mr. Angus—Inquiry of the ministry: Would each ministry indicate the total amount of accounts payable as of March 31, 1976, that was applied to the budget of the 1975/76 fiscal year and the 1976/77 fiscal year.

Answer by the Treasurer (Mr. McKeough):

The information previously supplied to answer question No. 74 indicated the total amount of accounts payable as of March 31, 1976. This, by definition, represents goods and services received no later than March 31, 1976, but remaining unpaid after the statutory close of 1975/76 business. All amounts listed therefore were paid in the 1976/77 fiscal year.

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Afternoon Session

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LEGISLATURE OF ONTARIO

TUESDAY, DECEMBER 7, 1976

The House met at 2 p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

PROTECTION FOR BORROWERS AND DEPOSITORS

Hon. Mr. Handleman: When The Borrowers and Depositors Protection Act was introduced in the House of Commons late in October, the government of Ontario went on record as saying that, while we welcomed the federal government's initiatives in dealing with unscrupulous lenders, we had some grave reservations about the Act as a whole. Having now had time to study Bill C-16, I regret to announce that we still have serious reservations as to its potential effectiveness. I recently advised Minister of Consumer and Corporate Affairs Anthony Abbott of our concern on four major points.

The first is with the concept of the bill and its potential effect on the lending and borrowing communities. Bill C-16 envelopes the entire financial community, from those elements which might be considered criminal in their activities through to those already adequately governed by provincial legislation, whose activities have given no serious cause for concern. For example, the concept of unwarranted rate appears to be insufficient to deal with loan sharks while creating considerable difficulty within the legitimate market. People indebted to loan sharks will simply not go to court to have the rate adjusted. However, this concept could seriously hinder lenders in dealing with borrowers who are attempting to avoid payments. The net result could be that the borrower meeting his payment commitments on time will end up subsidizing the lender's costs which are involved in dealing with delinquent debtors.

Second, the bill, as it stands now, could create serious constitutional problems. Woven into the text of Bill C-16 are many matters which we feel fall solely within provincial jurisdiction. Ontario has long had legislation relating to cost of credit disclosure in its Consumer Protection Act, collections in The Collection Agencies Act, and unconscionability under The Unconscionable Transactions Relief Act and similar legislation.

Third, the overlap with provincial legislation could create serious problems in administration. We recognize the clear-cut federal jurisdiction in respect of criminal law and of interest, but feel that this bill mixes the subject-matter to an extent that will require court interpretation to untangle. Until such matters are settled by the Supreme Court of Canada—and that could be several years from now—a considerable degree of uncertainty will prevail for both borrowers and lenders. There is also the day-to-day problem of applying provincial legislation where similar, but not identical, federal legislation exists. A businessman could find himself in conflict with one piece of legislation and facing prosecution simply for complying with the other jurisdiction's legislation. We have not as yet had any indication of the federal government's attitude as to which legislation will prevail where they differ.

Fourth, the federal legislation appears to be only a shell with the main impact depending on the regulations written under it. I have advised Mr. Abbott that, if it is his intention to proceed with the bill in its present form, Ontario will expect to be given ample opportunity to examine the regulations and express our concerns. The letter to Mr. Abbott concluded by saying: "We feel that we have a mutual interest in providing the best of the law for consumers, but that we must do so within the concepts of a balanced marketplace and a proper respect for the provincial role."

I am tabling today a copy of my letter to Mr. Abbott so that all members will be aware of Ontario's position on this very important legislation. It's a position which will be put forward at this week's provincial consumer ministers' conference in Edmonton.

POINT OF PRIVILEGE

Mr. Roy: I'd like to rise on a point of personal privilege, Mr. Speaker. You will recall that on Thursday last my leader and myself asked questions in the Legislature

directed to the Premier, (Mr. Davis), hoping he would direct these questions to the Treasurer (Mr. McKeough). They pertained to a land sale transaction in Ottawa, where there were allegations in the Ottawa Citizen that a former reeve, a member of the council, had invested certain moneys in land and it had returned a profit. Apparently he was on council, and there were allegations that he had not declared his interests.

At the time the questions were asked, and subsequently on Friday, December 3, in the Ottawa Citizen, the member for Carleton (Mr. Handleman) was quoted as saying the following: "The same dirty political tactics used in the 1975 provincial election are now being injected into the contest for reeve." Then he was quoted as saying as well, "The minister said the charges were in the same spirit as the dirty political campaign waged by the Liberals against him in 1975."

I want to take strong objection to this in that it seems to me that for a minister of the Crown, when members of the Legislature feel there has been an infringement of a provincial statute and bring it to the attention of the minister, to say that is "dirty political tactics" is highly irresponsible of the minister.

Secondly, to suggest that we, the Liberal Party, had something to do with the story appearing in the Ottawa Citizen is an affront —that is to give us certain powers we don't have over the Ottawa Citizen is an insult to the Ottawa Citizen, which is an independent paper.

I think the minister should be made to withdraw such remarks.

Mr. Speaker: I presume this all happened outside the House. I don't recall it happening in here.

Hon. Mr. Handleman: May I please speak to the point, Mr. Speaker?

First of all, if there is any suggestion at all or any thought that I might be attributing any motives to the leader of the third party and the member for Ottawa East, I would like to dispose of those thoughts immediately. I was speaking entirely of the tactics which were being used in Ottawa at the last minute, which were the same kind of tactics which were used against me in September, 1975. It had nothing to do with any member of this House.

Mr. Speaker: That apparently happened outside the House.

Mr. Roy: You said the Liberal Party.

Hon. Mr. Handleman: The reference was to my opposition in 1975. Unfortunately it is a fact. They were the tactics they used against me.

Mr. Roy: It was highly irresponsible of you.

Oral questions; the hon. Leader of the Opposition.

Mr. Lewis: On a point of order, if I may, Mr. Speaker, before we get into question period.

Mr. Speaker: I thought we were in it.

POINT OF ORDER

Mr. Lewis: May I beg your indulgence to precede the question period with a point of order?

If a matter arising from a debate in the House is reported in the press and then brought to your attention as a point of order or a point of privilege, is that not within the bounds of the Speaker's jurisdiction?

Mr. Speaker: As I understand it, there was a discussion in the House but the comments which the hon. member objected to were comments which were made outside the House.

Mr. Roy: Yes, but it involved something that took place in the House.

Hon. Mr. Handleman: No it wasn't, not at all.

Mr. Speaker: I can't control what went on outside the House.

Hon. Mr. Handleman: It was the story in the Citizen, you said.

Mr. S. Smith: May I speak to that point, Mr. Speaker?

Mr. Speaker: I'll hear the hon. member.

Mr. S. Smith: Very briefly, you will recall that I asked the question. I said there was a story in the Ottawa Citizen and I asked: "Can the Premier explain whether or not there is any truth to this or if he has looked into it." That's all I asked. Whereupon the hon. minister called out: "I dare you to say that outside the House," with a real implication that somehow I had said something salacious or libellous. That is there; and I imagine the interjectionist picked it up although I have not particularly checked Hansard. That is simply not acceptable, Mr. Speaker.

Mr. Speaker: I say again, there was a question asked in the House and I don't know what the answer was. The comments to which the hon. member took exception were apparently in a speech or some interview outside the House, and I can't control that. If the hon. member wishes to read May, I believe there is something covering such situations but as far as the Speaker is concerned he can't control what is said outside the House. Order, please. I believe this is getting into a debate. The hon. Leader of the Opposition.

Mr. Lewis: I think the Minister of Consumer and Commercial Relations believes that everything libellous is salacious, doesn't he?

Mr. Speaker: I believe the minister gave an explanation that was reasonable.

PUBLIC HEALTH NURSES' NEGOTIATIONS

Mr. Lewis: May I ask the Minister of Labour, now that events have effected, and her ministry along with it, a resolution of the dispute in Hamilton-Wentworth between the public health nurses and the board, where do we go from here in terms of the collective bargaining negotiations?

Hon. B. Stephenson: I am anxiously awaiting response to a communication directed toward the executive director of the Ontario Nurses Association from a meeting which they held on Saturday. I have not had any communication from the executive director since that time. However, there are three other sets of negotiations going on at this point. It is my hope, as a result of the successful solution found in Hamilton-Wentworth, and hopefully successful solutions in the other three instances, that the other 25 may follow suit.

As I have stated publicly on many occasions, and to both the Association of Boards of Health and the Ontario Nurses Association, as soon as this set of negotiations is completed the entire capacity of the Ministry of Labour will be available to both of those parties to work together to find a reasonable solution to this recurrent problem, one that will preclude the possibility of the kind of disturbance we've had this year.

Mr. Lewis: May I ask, by way of supplementary, where we stand in the other three ongoing negotiations?

Hon. B. Stephenson: They are negotiating at the moment and I think it would be improper of me to say at what point they are at this stage.

[2:15]

USE OF LEPTOPHOS

Mr. Lewis: A question, if I may, of the Minister of the Environment: Is the minister thinking seriously of taking the pesticide leptophos off the schedule 2 list in The Pesticides Act, which he administers?

Hon. Mr. Kerr: I want to make sure it is the name. Is it Phosvel? Is that the name? That's one that we mentioned earlier this week—yesterday as a matter of fact.

Mr. Lewis: That would probably be the trade name it goes under.

Hon. Mr. Kerr: Yes. I understand the Ontario crop protection committee is meeting to decide whether or not it will recommend the use of that particular pesticide on its 1977 list. There is some difference of opinion between members of that committee.

Also Agriculture Canada is currently reviewing the product and its potential neurotoxic implications. It's presently under the Environment Ontario schedule and it is available only to licensed operators and agriculturists.

The product contains a warning as to its possible neuro-toxic implications. The feeling as far as my ministry is concerned is that it is safe. It is not manufactured in this country although it is distributed by a firm in Stoney Creek.

However, because of the uncertainty I expect that there'll be a firmer answer sometime before the end of this year and before that new list is made final.

Mr. Lewis: By way of supplementary, has not the appropriate group within the ministry met, even within the last week, and recommended that leptophos be taken off the list?

Hon. Mr. Kerr: No, Mr. Speaker. The majority decision on that committee is that it does not have enough toxicology information to delist it and that is what the committee wants to obtain now before it makes a final decision. In other words, it wants to get a little more information and also discuss it with Agriculture Canada and make a decision before, as I say, its further use is permitted.

OHTB BUS LICENCE

Mr. Lewis: A question of the Minister of Transportation and Communications on the

ongoing theme of Gray Coach and Greyhound, if I may ask him. Was the minister aware at the time he presented the approvals from the Ontario Highway Transport Board that it would result for Gray Coach in a $1 million turnaround from the projected profit of $700,000 in 1977 to an explicit deficit position of $300,000 in 1977? And when they move into a balance position as a result of that, who is going to supply alternative work for the 245 who will lose their jobs? And how will the small communities of Ontario be serviced since Gray Coach has decided to abandon them?

Mr. S. Smith: Sound familiar?

Hon. Mr. Snow: Mr. Speaker, there are a lot of assumptions in that question—

Interjection.

Mr. Speaker: Order please. Order.

Hon. Mr. Snow: I have no information that Gray Coach have decided to abandon any routes.

Mr. Lewis: What of the $1 million turnaround?

Hon. Mr. Snow: I have no information directed to me as to the so-called turnaround that the hon. Leader of the Opposition mentions.

Mr. Davidson: Better talk to the chairman.

Hon. Mr. Snow: There has been nothing forwarded to me and I don't know whether there has been that type of evidence presented at the hearing which was held by the Highway Transport Board.

Mr. S. Smith: It was.

Hon. Mr. Snow: And I do not accept the suggestion that there will be 245 drivers laid off because of any decision that has been made.

Mr. Reid: They will bump other TTC drivers.

Mr. Deans: How many do you think will be laid off?

Hon. Mr. Snow: First of all, Mr. Speaker, Gray Coach operates a great many buses for the Toronto area transportation authority. I believe we now operate some 120 buses. Most of them are operated by Gray Coach for TATOA. We are expanding that fleet all the time—at least annually—and, of course, as there are more buses there are more drivers required. It's my understanding there have been some problems in getting enough drivers rather than having a surplus of drivers.

Mr. Lewis: If I may, by supplementary: Why does the minister remain in the world of conjecture when the various people associated with the TTC, Gray Coach and the union have provided to the board publicly, and are in the process of providing to him, absolute specifics as to a $300,000 deficit next year, the number of jobs that will be lost and the necessary curtailment of routes?

As a supplementary to the supplementary—then I'll take my seat—is the minister, in the light of this evidence, if it proceeds going to provide public subsidy to maintain the service to those various routes, primarily in western Ontario, which will be in effect a public subsidy to Greyhound for the right to competition?

Hon. Mr. Snow: Mr. Speaker, first of all, we do not supply public subsidy—

Mr. Lewis: Yet.

Hon. Mr. Snow: —to inter-city bus routes.

Mr. Reid: You will be.

Mr. S. Smith: You're going to have to.

Mr. Speaker: Order, please.

Mr. Reid: Going to supply it to Greyhound.

Hon. Mr. Snow: Secondly, Mr. Speaker—

Mr. S. Smith: Ten million dollar give-away.

Hon. Mr. Snow: —I am in no position to make any decision with regard to the decision of the Highway Transport Board. As the hon. members know I'm sure, and as I've said here many times and as the Premier has said, there are provisions in The Public Vehicle Act for appeals on the decisions of that board. It is my understanding, from press articles I have read, that it is the intention of both Gray Coach Lines and the union representing the drivers to appeal that decision. When that appeal is received by the Lieutenant Governor in Council, every consideration will be given to the appeal and a decision will be made.

With regard to figures which have been supplied by Gray Coach—the management of Gray Coach and the TTC are one and the same, basically—I have had conflicting figures and unreliable figures presented to me by TTC in the past year and I cannot totally rely on the figures which they present.

Mr. S. Smith: By way of supplementary: Can the minister now give an assurance to

the people who are living on the Gray Coach routes between Barrie and Owen Sound; Guelph and Owen Sound; the people in Orangeville; Alliston; Beaton; the Port Carling area; Bala; Bracebridge and the Gravenhurst region, that they will suffer no curtailment of the presently available bus services as a consequence of this particular decision? Can he give an assurance that even if it requires public subsidy they will lose none of the services they presently have?

Hon. Mr. Snow: Mr. Speaker, I cannot give an assurance that they will not lose any of the services they presently have. I cannot say that Greyhound-Gray Coach Lines might not—

Mr. Wildman: They aren't one and the same yet.

Hon. Mr. Snow: Gray Coach Lines—I can't say Gray Coach Lines will not withdraw service from a particular route.

Mr. Davidson: What is your responsibility as minister?

Mr. Speaker: Order, please.

Hon. Mr. Snow: I am quite sure, though, that if there's any withdrawal of service there would be many other applicants willing and ready to supply that service.

Mr. Deans: It is nonsense. You have destroyed public trust in the province of Ontario single-handedly.

Mr. Speaker: Order, please. The member for Scarborough-Ellesmere.

Mr. Warner: Mr. Speaker, to the minister: If the minister is not sure that any jobs are going to be lost and since in fact he agrees there will not be any loss of jobs, is he now ready to guarantee that any individual who does lose his job because of this new licence can come to his office and will be directed to an appropriate suitable job in the same profession?

Hon. Mr. Snow: No. Obviously, I'm not an employment agency—

Mr. Reid: You are an unemployment agency.

Mr. Speaker: Order, please.

Mr. Bullbrook: Send them down to the Minister without Portfolio (Mr. Henderson).

Mr. Breithaupt: Send them down to Lorne.

Hon. Mr. Snow: I can assure this House from the information I have at hand there is nothing to lead me to believe there will be any serious depletion of jobs. In fact, I can see nothing but the number of jobs increasing in the bus transportation industry in the years ahead.

Mr. Cassidy: A fatuous reply.

Mr. Speaker: The final supplementary on this.

Mr. S. Smith: Supplementary. Since the minister says he cannot rely on the figures provided to him by Gray Coach and the TTC, may I ask exactly what means he and his cabinet colleagues are planning to use in considering the appeal? How is the minister going to go about getting reliable figures if he can't count on the ones their management will provide for him? Might he consider putting the whole matter in front of the select committee on highway transportation which already exists in this Legislature?

Hon. Mr. Snow: When an appeal is made to the Lieutenant Governor in Council it is very thoroughly investigated. The different parties to the appeal make written submission. If members of cabinet do not feel they have the necessary information, they will ask for additional information. This is why it sometimes takes a considerable period of time for cabinet to get all the information to be able to deal with an appeal.

Mr. Sargent: Mr. Speaker—

Mr. Speaker: Order, please. I said that was the final supplementary the last time.

Mr. Sargent: On a point of order.

Mr. Speaker: A point of order.

Mr. Sargent: We have lost our trains up our way. Now we're going to lose all our buses. I reserve the right to ask a question of this minister on this subject.

Mr. Speaker: Order, please. The hon. member may ask a question in his turn.

Mr. Lewis: I will ask one on this subject, then the member for Grey-Bruce can follow.

Mr. Sargent: Okay, thanks.

Mr. Lewis: In light of the peril which now faces the small bus routes throughout western Ontario, does the Minister of Transportation and Communications not think he should now disqualify himself from any hearing related to Gray Coach and Greyhound's application at all since he has gratuitously repudiated information from the TTC and

since he has indicated already that he will not accept the arguments being made on employment loss or on financial loss? Surely the minister is in no position to sit in judgement when he has taken a position counter to that which will be put to him.

Mr. S. Smith: The member for Wentworth North (Mr. Cunningham) asked that last week.

Interjections.

Hon. Mr. Snow: I have taken no position at all in opposition.

Mr. S. Smith: On television.

Mr. Lewis: There is a conflict of interest.

Mr. Speaker: Order, please.

Hon. Mr. Snow: I have reported to this House, factually, the information, and replied factually to the questions that have been asked of me. I have said definitely that this matter, if it is appealed to the Lieutenant Governor in Council, will be dealt with by the cabinet.

Mr. Davidson: Irresponsible.

Mr. Speaker: A final supplementary on this. The member for Grey-Bruce.

Mr. Sargent: In view of the fact that the Greyhound corporation owned by Holiday Inn of America, is represented by Mr. Eddie Goodman for these hearings and that—

Mr. Speaker: This is supposed to be on the question that was asked.

Mr. Sargent: This is on the question, very much so.

Mr. Speaker: Please proceed.

Mr. Sargent: We have Mr. John Robarts acting for another firm. We have John Clements acting for Voyageur of Power Corporation. Is the minister not concerned about this? I want to ask him does he know for sure that the Highway Transport Board are in favour of this themselves? They are concerned about political interference at this point, I can tell the minister that.

Hon. Mr. Snow: No, I'm not aware of the Highway Transport Board's concern. There has been no indication to me of any political interference. Of course I cannot make decisions for applicants to the board as to who they might employ to be their legal counsel.

Mr. Speaker: The member for Hamilton West with his questions.

Hon. Mr. Snow: I might also say that again the hon. member is referring to a company owned in the United States. I have to say that according to the information I have 40 per cent of that company is owned by citizens of this country. I think they have some rights, too.

Interjections.

[2:30]

Mr. Breithaupt: That is where the control is.

Mr. Speaker: The member for Hamilton West.

Interjection.

Mr. Speaker: Are you leading off? That was the final supplementary on the same topic.

Mr. Bullbrook: Do you realize there was one supplementary?

Mr. Speaker: Order, please. The same question has been asked day after day so we have to get on with other questions.

Interjections.

Mr. Speaker: Order, please. I have called for the hon. member for Hamilton West with his question.

Mr. S. Smith: To the Minister of Transportation and Communications: How can the minister justify sitting as a judge on the appeal that is going to be brought his way when he has already said that the party bringing the appeal is unreliable in terms of its presentation of facts and figures? How can he sit in judgement in that type of situation?

Mr. Roy: Do you consider that impartial?

Hon. Mr. Snow: Mr. Speaker, I have not said that the company is unreliable. I have said that the company or the TTC, whose management have the same individuals, have presented me with figures before which I have found unreliable.

Mr. Reid: That's a fine distinction.

Mr. Lewis: A supplementary, Mr. Speaker. Could we ask the minister to give us chapter and verse, to which the TTC can respond, on the figures which they presented to him and which are unreliable—since he is so gratuitously slandering them? What figures is he talking about?

Hon. Mr. Snow: Mr. Speaker, I am re-referring to figures the TTC gave me approximately a year ago when discussing the capital programme for this current fiscal year. The TTC told me there was no way it could get by with its current capital programme for this year, with less than $127 million I believe it was. We were unable, within the constraints of our ministry, to allocate $127 million but we did allocate to the TTC, for capital purposes, $92.4 million. I must say I received some degree of public flak from the TTC for that decision—that we were not giving them enough money.

Mr. Mackenzie: Now you are going to penalize them.

Hon. Mr. Snow: The truth is that now, nine months approximately into that fiscal year, the best information I have from my officials—who I must say at that time said $92.4 million was adequate for the programme; it was all the TTC needed and all it could use—the figures I received yesterday showed that TTC spending on the capital programme this year will be $73 million—almost $20 million less than it said was not enough and almost $50 million less than it said it needed.

Mr. Speaker: The member for Hamiton West.

Hon. Mr. Snow: No further supplementary today?

Mr. Lewis: No.

Interjections.

Mr. Speaker: Order, please. The member for Hamilton West only.

MINING CLAIMS

Mr. S. Smith: A question of the Minister of Natural Resources; this has to do with the Lake Wanapitei issue which I raised in the House on December 3. Could the minister explain why he told me on December 3, "I would just advise the hon. member we are working very closely with the Ministry of the Environment on this matter," when on December 1 in estimates the Minister of the Environment said, with regard to Lake Wanapitei, "I am not sure what MNR's plans are. We haven't got any studies in respect to Lake Wanapitei in Sudbury."

Could the minister explain what form this close working relationship with the Minister of the Environment takes in as much as the Minister of the Environment doesn't seem to know about it?

Hon. Mr. Bernier: Mr. Speaker, I am not aware of what the Minister of the Environment said.

Mr. Nixon: He just told you what he said.

Hon. Mr. Bernier: It could have been taken out of context. I would like to read into the record a copy of a telegram that I sent to—

Mr. Nixon: It was taken right out of Hansard.

Hon. Mr. Bernier: —Mayor Mike Solski, of the town of Nickel Centre, Sudbury, in answer to a telegram he directed to me on November 29. It said: "Drilling on Lake Wanapitei. Result of discussion between officials of my ministry and representatives of those wishing to carry out this exploratory drilling programme, I understand that agreement has been reached to defer drilling pending study of water quality and protection methods. The balance of the area of the lake was withdrawn from staking by deputy minister's order two weeks ago."

Mr. S. Smith: By way of supplementary, since the minister has just read this telegram and since he also told me and this House on December 3 that he had taken steps to guarantee that the companies holding claims on Lake Wanapitei would not drill, how is it that a Mr. Ron Christie, the deputy regional director for the ministry in Sudbury, has informed us today that the ministry has not received such an assurance from Mr. A. Arena, who has recorded claims in his name east of the Hollinger claim? Mr. Arena has not yet agreed not to drill; and in fact when we spoke to Mr. Arena, how is it that he could tell us he received a work permit last week from the Ministry of Natural Resources for diamond drilling assessment work and was planning to work this winter, even though he said he was just told yesterday by the ministry that his work permit was issued in error? How does the minister explain this fiasco where diamond drilling for uranium is permitted in the middle of a water supply of Sudbury?

Hon. Mr. Bernier: Mr. Speaker, I can only repeat what I said in answer to an earlier question, when I indicated to the leader of the third party that drilling would not be allowed until we have the proper controls; and those control programmes, of course, will be discussed with the Ministry of the Environment. In no way, and I repeat in no way, do we want to jeopardize the water

quality or the quality of that water which is going to those particular communities. We have met with the Hollinger people and they have agreed to defer until suitable plans are put in place to guarantee that this will not happen.

Mr. Laughren: Supplementary: When the Ministry of Natural Resources gives permission to a company to drill for uranium does it first ensure that that company has obtained permission from the Atomic Energy Control Board of Canada?

Hon. Mr. Bernier: No, Mr. Speaker.

Mr. Laughren: Supplementary.

Mr. Speaker: Related exactly to your supplementary?

Mr. Laughren: Yes. It is not, in fact, a requirement of the Atomic Energy Control Board that such permission be obtained before any drilling goes on at all?

Hon. Mr. Bernier: Mr. Speaker, the province does have the responsibility of promoting and assisting in exploration for minerals in this particular province. It is a provincial responsibility. Only when the ore is found and being developed does the Atomic Energy Control Board come into play.

Mr. S. Smith: Can the minister explain—he still has not done so, Mr. Speaker—why he told this House that all the holders of claims have agreed not to do any work on those claims, when in fact Mr. Arena today tells us he has reached no such agreement and has in fact received a work permit from the ministry? Why does the minister say he has agreements from all claim holders when Mr. Arena has not given him that agreement?

Hon. Mr. Bernier: Mr. Speaker, I'm assured by my staff that agreement was reached. I can only assure the member that I will look into it and find out what the discrepancies are all about.

Mr. Bullbrook: Was it a phone call?

Mr. S. Smith: Another question to the minister then, a new question on this topic: The minister assured us on December 3 he had taken steps so that no further claims would be permitted in the middle of that lake. Since he's able to do it now, may I ask how come his ministry did not in fact prevent claims from being staked in the first place, last year and the year before, in the middle of Lake Wanapitei? Why did he allow those claims to be staked?

Hon. Mr. Bernier: Mr. Speaker, the Crown lands of this province are open to staking by anyone who has a valid miner's licence—

Mr. S. Smith: Why are you blocking it now?

Hon. Mr. Kerr: It's our concern about the water.

Hon. Mr. Bernier: —and in no way did we realize at that particular time that there was uranium in that particular area. Since then this has come to light and we've withdrawn the rest of the lake from staking. As I indicated before, we will guarantee that the water supply is protected.

Mr. S. Smith: Supplementary: Since the minister and his ministry knew very well there was quartzite ore under that lake, and since he has now withdrawn the rest of the lake from staking, why didn't he withdraw the whole lake in the first place, which would have avoided the entire problem?

Hon. Mr. Bernier: Mr. Speaker, I believe I've answered that question already.

Mr. S. Smith: To the Minister of the Environment regarding the same matter: Can he tell this House whether in fact his ministry has done any testing in the lake for radon gas, given the fact that his ministry is well aware of the quartzite ore that exists in that particular lake, and had any such radon gas study been done prior to a phone call that the ministry received in the last couple of days?

Hon. Mr. Kerr: There has been no drilling that I am aware of for uranium in Lake Wanapitei. I'm not aware of any testing for radon gas. Certainly there's all kinds of testing in respect to chemicals in a body of water which is a source of drinking supply for a community such as Sudbury. I will get the information as far as radon gas is concerned, but the point is that there has not been any drilling. One has to drill to test, and I would assume that certainly before any drilling is allowed in that particular body of water that we have to be absolutely satisfied that the drinking water supply will not be affected as a result of that drilling. Certainly the Ministry of Natural Resources is aware that it has to get permission from us before any such drilling can be carried out.

Mr. Speaker: Further questions?

AIR POLLUTION IN HAMILTON

Mr. S. Smith: A question for the Minister of the Environment on a different topic: With regard to the sulphur dioxide pollution at Stelco in Hamilton, when an article was written on this, the minister was quoted as saying, with regard to measuring from the stacks the amount of sulphur dioxide coming out of Stelco: "It's an idea that makes sense. We want to be more accurate and it is likely we will have stack monitoring several months from now." How does the minister manage to make that correspond with the following statement from the minutes of Hamilton's pollution control committee, Thursday, December 2: "The committee dealt with the correspondence from the Hon. George Kerr which indicated that the Ministry of the Environment would not support the measuring of sulphur dioxide emissions either entirely or in part from stacks." When did the ministry change its mind and what occasioned the change in mind? When can we expect stack monitoring now?

Hon. Mr. Kerr: The ministry changed its mind after some discussion with the minister.

Mr. S. Smith: And when can we expect stack monitoring?

Mr. Speaker: Any further questions from the member for Hamilton West?

The hon. member for London North.

[Applause.]

Mr. Conway: Marvin's going Social Credit.

Interjections.

Mr. Speaker: The member for London North after all that.

Interjections.

Mr. Speaker: Order, please. The member for London North.

DELAY IN OSAP APPROVALS

Mr. Shore: Mr. Speaker, I would like to direct a question to the Minister of Colleges and Universities.

Interjections.

Mr. Speaker: Order, please. We are wasting valuable time in the question period here.

Mr. Shore: I am paid by the season, Mr. Speaker, so I'm okay.

Interjections.

An hon. member: And you turn colours like the season.

Mr. Speaker: Order, please. Will the hon. member proceed?

Mr. Shore: The question relates to perhaps airways rather than the busways for a moment, but I would like to ask the minister if he is aware of and concerned about an article in the London Free Press, dated December 3, 1976, headed by: "Tough Luck," subheaded by "Student may lose out on tans if loans delayed much longer"? The thrust of the article is that many students will not be able to travel south or north during the Christmas break this year because the student loans have not been received—

Some hon. members: Question, question.

Mr. Shore: I would like to ask the minister if it would be fair to say—

Interjections.

Mr. Speaker: Order, please.

Mr. Shore: Would it be fair to say that most students are properly in need of their loans and that they should not have to be concerned that their loans may be jeopardized by a few irresponsible students who undermine the validity of student loans by abusing the privilege? Would the minister comment on this and would he not agree that the purpose of loans is to help those in need of education and not travel? And if he agrees with this—

Interjections.

Mr. Speaker: Order, please. I think that's quite a lengthy question.

Interjections.

Mr. Speaker: Order, please. All this noise is just delaying the question period.

Interjections.

Mr. Speaker: Order, please. Does the hon. minister have an answer to that?

Interjections.

Hon. Mr. Parrott: I would like to reply to that question. I think it was one of the better questions that we had asked today.

[2:45]

Interjections.

Mr. Speaker: Order, please. Will the hon. minister continue with the answer.

Mr. Singer: Even the Attorney General (Mr. McMurtry) is laughing.

Hon. Mr. Parrott: I am in no hurry. I, too, have the honour of representing a portion of that area of the province. I did see the article and I share many of the concerns of the member for London North. I would like to assure the member and other members of the House that we do have a pretty active audit and verification section in the student awards division of the ministry.

Mr. Peterson: Like the home buyers grant.

Mr. S. Smith: Lend them to Arthur.

Hon. Mr. Parrott: I am sure they will continue to exercise judgement in this instance and in other cases which might be brought to our attention. I would also remind the members that it is a needs-tested programme and I would hope that any irresponsible action by any student would not put a very valuable programme in jeopardy. I am sure it is easy to indicate cases in which, perhaps, it isn't applied as effectively as sometimes one would like but surely that should never destroy the importance of a good programme in this province. We will work hard to see that it is kept well within the bounds of good administration so that the students who need help will receive it.

Mr. Conway: If you think that was a good question, wait for the supplementary.

Mr. Speaker: Is this a supplementary?

Mr. Warner: Yes. Since the—

Mr. Shore: A supplementary.

Mr. Speaker: Order, please. Do we have a supplementary here first of all? A brief supplementary?

Mr. Shore: What would the minister's response be to the travel agent's comment: "Certainly some of the money going for student travel comes from government loans and why not?" What would be his response to that?

Mr. Speaker: I think that was answered, was it not?

Hon. Mr. Parrott: The response, I think, is that, very carefully, the needs of a student are assessed—

Interjections.

Hon. Mr. Parrott: I am not going to speak any longer.

Mr. Speaker: Order, please.

Interjections.

Mr. Speaker: Order, before we go ahead.

Mr. Warner: Yes, Mr. Speaker. Since—

Mr. Speaker: Order, please. The minister has not completed his answer yet.

Interjections.

Hon. Mr. Parrott: One tends to forget the question after that length of time. I think the point I want to make is that the awards are made based on need. Very carefully, all the needs and the resources of the student are assessed. Once the award is made—again, underlining the very important principle that it is a needs-tested programme—the actual spending of that money is the responsibility of the student.

Mr. Roy: You have said that.

Hon. Mr. Parrott: Obviously, the first claim is tuition fees. The balance is for living accommodation. We ask, naturally, that the students allocate and budget the money they receive in a fashion appropriate to the purpose of the loan—that is, to continue their education here in the province.

Mr. Speaker: Is this a supplementary ?

Mr. Warner: Since part of the question of the member for London North dealt with the processing of the applications and the lateness thereof, I would ask the minister if he could tell us how many applications still have not been processed?

Secondly, does the minister intend to deal with those students who have applied for loans but not received them by lending money to those students until such time as the loans have been approved? That is a common story which is circulating in some quarters.

Hon. Mr. Parrott: I am afraid that I must explain this in a little more detail to the member for Scarborough-Ellesmere. The loan programme isn't something which terminates on September 30, it is an ongoing programme. I was advised the other day that 10,000 applications have come in since November 1. It takes approximately six weeks to turn around an application. He certainly wouldn't expect us to lend money on those new applications. It is a continuing process and therefore those in the process will be through in about six weeks' time, and there would be no obvious need to do what the member suggests.

Mr. Bullbrook: The member for London North has a right to laugh after that.

Mr. Speaker: Is this a new question?

Mr. Warner: A supplementary, Mr. Speaker.

Mr. Speaker: No, we have to have a new question. The time is nearly up. The member for High Park-Swansea.

INTERCON SECURITY

Mr. Ziemba: A question of the Solicitor General, Mr. Speaker: In view of the fact that the Ontario Government Protective Service provides security for most government buildings, why is a private firm being used at the Ministry of Revenue offices at 77 Bloor Street West?

Hon. Mr. MacBeth: I gather the suggestion is that a private firm is looking after the buildings of the Ministry of Revenue. I don't know that; I'll have to get that information. I don't know whether that's factual or not.

Mr. Ziemba: Supplementary: Is the minister aware that the private firm is Intercon Security, who have as their representative the well-known Mr. Richard Grange, a man who has been the subject of much discussion in this House?

Hon. Mr. MacBeth: I admitted being past the menopause the other day, but I guess I'm getting deaf as well. I didn't hear the last of the question.

Mr. Ziemba: I was asking the minister if he's aware that the private firm is Intercon Security, which has as its representative Mr. Richard Grange?

Hon. Mr. MacBeth: I didn't even know there was a private security company involved, so naturally I don't know the second part of it. I will make investigations.

ORGANIZED CRIME

Mr. Reid: I have a question for the Solicitor General, in regard to organized crime. Can the minister indicate to the House if there has been an appreciable increase in the amount of illegal gambling in the province in the last three or four years and in the amount of loan sharking, and if that is related to organized crime in the province?

Hon. Mr. MacBeth: Yes, I think there is. The problem, of course, is getting definite figures on such things as organized crime operations. Certainly, there is much more gambling in the province today than there was and I'm afraid that some of it is in the hands of organized people.

In so far as loan sharking is concerned, generally it is more fear of what's going on than reality. I wish—and I know my hon. friend wishes it too—that the victims of loan sharking would come forward and make their complaints known to the authorities and to the police. We fear there is a great deal of loan sharking going on, but, sir, we have no figures to substantiate just how much increase there is or is not.

This is the whole problem that we're faced with, trying to get victims of organized crime to come forward. Of course, if they don't come forward we have a great deal of trouble getting any accurate figures at all, so we have no accurate figures.

Mr. Kerrio: Don't you read reports?

Mr. Reid: Supplementary: In view of the minister's answer that he's having difficulty in having people come forward, will he reconsider his decision, in view of his answer, to hold a public inquiry into organized crime? Is the minister aware of Judge Roach's report on organized crime, where he said, on page 365, "There is no doubt in my mind that the establishment of this commission under The Public Inquiries Act has operated as an effective brake, at least for the time being, on the criminal activities of persons disposed to organize themselves into groups."

In view of the minister's answer and in view of his statement in his annual report, indicating that people should be aware of it, will he consider an inquiry into organized crime in the province?

Hon. Mr. MacBeth: Some days ago, the hon. member for Rainy River asked me if I thought it would be proper to have an investigation into organized crime. I replied at that time that I didn't think it would accomplish anything. Since that time I have had discussions with some of the senior police officers and they tell me they do not think we are ripe or ready for a formal investigation into organized crime.

Mr. Reid: You are ripe for organized crime, though.

Mr. Bullbrook: Just not enough organized crime.

Hon. Mr. MacBeth: They feel that little, if anything, would be gained and that some of the work they are doing in a quiet way

and some of the knowledge they may have would be destroyed by it and that it might drive them away.

I'm not saying that at no time would an investigation be appropriate; at some time it may be appropriate. But the police authorities I have talked to say that little would be gained by it at this time and their opinion is that at the present time it would do more harm than good.

Mr. S. Smith: Just before the next election.

Mr. Peterson: What percentage more do you want, John—20 per cent, 25 per cent?

CAMPBELLFORD HOSPITAL

Mr. Philip: A question for the Minister of Health: Is the minister aware of the resignations last Thursday of the majority of the doctors at Campbellford General Hospital? Is he aware that three medical doctors, namely, Dr. David Burgess, Dr. A. F. Kaufman, and Dr. George Astaphan have reportedly requested an outside impartial audit of the accounts of that hospital?

Hon. F. S. Miller: No, I was not.

Mr. Philip: Is the minister prepared, perhaps in co-operation with the Attorney General, to investigate the allegations and the signed affidavits that I have provided him with, allegations which would suggest there may be some connection between the purchase of a paper shredder and the destruction or disappearance of records that are not yet seven years old, and allegations also of possible fraud, mismanagement and unusual labour relations in that hospital?

Hon. F. S. Miller: I haven't had a chance to read the statement the member sent to me just a moment ago, but if it indicates there is a need for an audit or an inquiry into the operation of the hospital, I would see that it was done.

LEGAL AID PLAN

Mr. Ruston: I have a question for the Attorney General.

Mr. Conway: Headline.

Mr. Ruston: What action is the Attorney General taking to avoid the misuse of Legal Aid funds, such as the fraud case in London where 22 people are being charged and there is a possibility that the cost may run the fund up to a quarter of a million dollars?

Hon. Mr. McMurtry: I know this case in London. I know a little bit about it but it hasn't been brought to my attention that there has been any misuse of Legal Aid funds. As a matter of fact, as I understand it, and perhaps the hon. member opposite can add more to my information, there is some concern by the local Legal Aid administrator as to the number of counsel involved. I gather there's some dispute between counsel representing certain accused and the local director of Legal Aid in relation to the number of actual certificates. But I know of no abuse of Legal Aid as suggested by the member.

Mr. Ruston: Supplementary: Is the minister considering any effort to prohibit anyone from drawing on Legal Aid more than twice?

Hon. Mr. McMurtry: The member is talking about a recidivist. This is a problem that is of concern to the Law Society. I think I should remind all members of the Legislature that there is a very important presumption in our law which is really fundamental to the freedoms of all our citizens, that is, the presumption of innocence. To arbitrarily deny persons Legal Aid because they have been convicted once or twice or three times is tantamount to making a judgement of their guilt or innocence, and surely we can all appreciate the very serious dangers inherent in that.

Mr. Speaker: The oral question period has expired.

POINT OF PRIVILEGE

Mr. Germa: Mr. Speaker, I raise a point of privilege on behalf of the public accounts committee. On November 4, 1976, by letter a motion was sent to the deputy minister. I shall read the motion: "That records of OHIP's statements of payments of income to individual licensed practitioners in excess of $100,000 during the fiscal year 1974-75 be made available to the committee; such records to include the name, address, nature of practice and any income derived from clinical billings to the practitioner." As well, we sent a legal opinion from the Attorney General's department which indicated the committee had a right to this information.

It is now December 7 and the information is still not in the committee's hands. In various telephone conversations with the manager of OHIP and his staff, I have come to the conclusion that they are not co-operating

with supplying the information to the committee. I bring this to your attention, Mr. Speaker, so that you might impress upon the people concerned that it is our right and our privilege to have this information.

[3:00]

Mr. Speaker: I'm sure your comments will come to the notice of the appropriate people.

Mr. Bain: Well, do something.

Mr. Speaker: Order, please. It's not the Speaker's duty to do this at this point.

Mr. Nixon: Let's hear from the Minister of Health on that.

Mr. Foulds: On that point of privilege, is it not possible, if the information is not forthcoming, for you to issue a Speaker's warrant?

Mr. Speaker: I really don't think so, but I'll check into it for the hon. member.

Hon. F. S. Miller: Mr. Speaker, on the point of privilege, I have no knowledge that my staff is delaying the procuring of that information. I have never given them any such indication that they should—in fact, just the opposite. I'd like to see it also and I have asked them to hurry it up.

TRIBUTE TO LEWIS FAMILY

Hon. Mr. Welch: Mr. Speaker, I'm wondering if I could have the permission of the House to make two announcements while most of the members are here and before they go to other responsibilities?

This afternoon at 4 o'clock Her Honour will be in the House to give royal assent, and I know the members would like to know that in advance.

I would also like to point out as a matter of some interest that members of the Legislature and the people of the province will be interested to learn that December 7, 1976, marks the 50th anniversary of the appointment of Major A. C. Lewis as Clerk of the Legislative Assembly. This means that for half a century a member of that family has presided at the head of the table of the Legislative Assembly of this province. Major Lewis served 28 years, from 1926 to the end of 1954, and his son Roderick has succeeded him for 22 years since January 1, 1955. I would ask that members of the House join me in acknowledging the major contribution Roderick and his father before him have made to our parliament and express our thanks for their many years of faithful service.

[Applause.]

Mr. Lewis: Mr. Speaker, if I may, on the point raised: It is a sign of the elegance of the Lewis family, and intelligence—I speak only of the clerk Lewis—that in expressing his acknowledgement he should bow to the Speaker rather than to the government.

Mr. Speaker: Don't you wonder how they have withstood 50 years?

Mr. Reid: Especially with certain Speakers.

Mr. Roy: Especially the last 30.

Mr. Speaker: That's obvious. Certainly, I acknowledge the assistance of the hon. clerks.

Hon. Mr. Welch: Mr. Speaker, he kept his hair too.

Mr. Speaker: That's obvious.

Petitions.

Presenting reports.

REPORTS

Hon. Mrs. Scrivener presented the report of the public service superannuation board for the year ended March 31, 1976.

Mr. McNeil from the standing resources development committee presented the committee's report which was read as follows and adopted:

Your committee begs to report the following bill without amendment:

Bill 131, An Act respecting Farm Income Stabilization.

Mr. Speaker: Motions.

Introduction of bills.

MUNICIPAL ELECTIONS AMENDMENT ACT

Mr. Swart moved first reading of Bill 183, An Act to amend The Municipal Elections Act, 1972.

Motion agreed to.

Mr. Swart: Mr. Speaker, this bill would require that an employer give his employees three consecutive hours within which an employee may exercise his voting privileges in an election under The Municipal Elections Act, 1972, and so extend to these elections

the same time-off provisions as exist in The Election Act in relation to a provincial election, in order to ensure that all electors have the opportunity to vote in municipal elections.

LABOUR RELATIONS AMENDMENT ACT

Mr. Stong moved first reading of Bill 184, An Act to amend The Labour Relations Act.

Motion agreed to.

Mr. Stong: Mr. Speaker, this bill establishes a bargaining unit of hospital pharmacists as an appropriate unit for collective bargaining.

ELECTION AMENDMENT ACT

Mr. Stong moved first reading of Bill 185, An Act to amend The Election Act.

Motion agreed to.

Mr. Stong: Mr. Speaker, this bill expands the qualification to vote by proxy from those engaged in the business of transportation to those whose employment requires that they be out of the province of Ontario during the election period.

ANSWERS TO WRITTEN QUESTIONS

Hon. Mr. Welch: Mr. Speaker, before the orders of the day I wish to table the answers to questions 157, 158, 171 and 176 standing on the notice paper. (See Appendix A, page 5470.)

Mr. Speaker: Orders of the day.

House in committee of supply.

SUPPLEMENTARY ESTIMATES MINISTRY OF HEALTH (continued)

On vote 3002, institutional health services programme; item 3, institutional care services:

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. Bain: Mr. Chairman, when we adjourned the debate on the 30th, I was speaking at the time.

Mr. Chairman: You had the floor?

Mr. Bain: Yes, I did.

Mr. Chairman: You are allowed to continue then. The hon. member for Timiskaming.

Mr. Bain: Thank you very much, Mr. Chairman. I'm sure the minister will remember the points I raised on the 30th about the conversion of the old Kirkland Lake hospital into a combined chronic-care, extended-care facility. I also mentioned the other day something which could be added and which would be innovative in the province; that is actual senior-citizen units. At that time I mentioned the necessity for this because of a most unfortunate situation. We have a number of elderly single people in the riding, particularly elderly miners, who live by themselves and I'll cite only one example to the minister to prove the point.

There was an elderly miner living by himself in a boarding house and he was ill. He was without much income and he couldn't afford any other accommodation. The owner of the boarding house was kind enough to look in on this gentleman from time to time. The elderly miner reached the point where he couldn't get out of bed on his own. The owner of the boarding house would come in and move the gentleman from the bed to a chair by the window where he would sit all day, have a little bit to eat and then he moved back into his bed at night.

The unfortunate thing was that by the time this elderly miner was taken to a doctor, his condition had deteriorated so badly that he had to have a leg amputated. The doctor who was in charge of him for this operation said it was the kind of situation that needn't have occurred. It would have been something they would have caught if there had been this type of facility—a chronic-care, extended-care, senior-citizen facility that could easily be made out of the Kirkland and District Hospital.

The minister might say that kind of gentleman should have been brought to medical attention. But there are a number of more isolated communities and this gentleman happened to have lived in one of them. There was no access to a doctor. By the time his condition had deteriorated to such a stage where he was brought to a doctor in another community, it really was at a situation where it was very advanced. I would think this kind of facility that the people are asking for would be one that would be very worthwhile. It would not only serve Kirkland Lake and the immediate area, but also places like Larder Lake, Virginiatown, Matachewan and other rural communities that are in Timiskaming.

We already have a commitment by the local medical profession that there are sufficient doctors attached to the present Kirkland Lake Hospital who would be able to look after a chronic-care facility that would be made out of the old Kirkland Lake and District Hospital. We also have the commitment of the present administration of the hospital in Kirkland Lake that they would be able to administer the old hospital as well if it were converted to this kind of facility.

I would appreciate the minister's comments. Because I know a number of other people would like to bring up important points in his estimates, I won't speak any longer. I would appreciate the minister's comments and perhaps a brief opportunity to ask a couple of further questions.

Hon. F. S. Miller: We've discussed this in previous estimates. I think the last time we talked about it we made the comment that a bed need study of the north was being done in that particular area. I believe we'd even talked about the town of Kirkland Lake having done one of its own. My staff tell me that we've had ours handed to us since my estimates began, or within the last week in any case, on the area. As yet, we haven't responded to it. I believe it will bear out our original comment, that opening this facility as a chronic hospital probably won't meet the real needs of the community, that its needs probably lie more in the direction of more homes-for-the-aged beds or facilities than in either chronic or nursing-home and that the chronic bed needs can be cared for by the new Kirkland Lake hospital.

Apart from that comment, you'll remember that we had to look at the overall rehabilitation needs of the northeast part of the province. As yet, that has not been resolved. We will have to have a chronic rehabilitation facility, I'm sure, somewhere in the northeast. I suspect Kirkland Lake would not be the best of all the choices. Without seeing the results in advance, I suspect that probably Timmins would be. This has been the indication of those who've made, let's say, a perfunctory overview of the needs of the area. You only need one rehabilitation facility versus a number of holding chronic facilities in a given geographic area.

More important is the danger of always assuming that a used hospital facility will continue to operate when a new one is built. I see this popping up in community after community. I see it in the Haileybury area where, as you know, a deal has been made. Somebody was offering to buy the old facility. That's fine; they were offering to do it with their own money. You can see it occurring in Midland where somebody just withdrew from the offer today to buy the old hospital. There is always the assumption you'll get something new but not lose anything old. That's not something we should inculcate into the minds of people. The purpose of building new facilities is to upgrade and offer services that can't be offered in the old one, or can be offered in a better way in the new one. This often means the old facility should disappear.

While a building like this can be worth a million dollars—and I think that's what the province paid for it or something in that range—the operating costs can be two, three, four, five or six times the purchase cost per year. Therefore, one must not just operate them simply to operate and provide employment, one must operate them to fill genuine health needs of the community, otherwise we shouldn't have built the new hospital at all.

[3:15]

Mr. Bain: Just on two points that the minister covered. I was a little disturbed—you said you had received a study since the beginning of your supplementary estimates last week. Although you just received the study, you seemed in your answer to be supporting a decision that conversion of the old Kirkland and District Hospital will not be warranted. I hope you have not already made a decision without having evaluated the study.

The other thing is the mention of rehabilitation. Again without having the facts you seem to be saying that a rehabilitation facility would not be suitable for Kirkland Lake. I just don't want these kinds of conclusions drawn without having all the facts in.

One point I would like to make is that it's nice to say we should have a senior citizens' home, or we should have these kinds of beds, or we should have home care provided, but what happens when those programmes are not in place, are not likely to be in place and you have people with real needs? Why put them in a category and then deny them access to a facility that already exists and could be converted into, I think, a good facility?

Would the minister be agreeable, before any decision is made about the old Kirkland and District Hospital—once he has evaluated the study, would he be agreeable to sit down —I would prefer it if the minister would come up home, but I know he doesn't have the time to visit all the ridings, even a riding as pleasant as Timiskaming. I am sure he might

like to come to Timiskaming, he'd enjoy the rest, but I realize that is not always possible—

Hon. F. S. Miller: Every time I go you win votes.

Mr. Foulds: Come again!

Mr. Bain: But before a final decision is made, once you have evaluated the study, would you be agreeable to meet with a delegation from Kirkland Lake to discuss the possibility of conversion or to discuss your decision as a ministry?

Hon. F. S. Miller: Generally I have been willing to do those kinds of things. I certainly don't want you to jump to the conclusion that I have jumped to a conclusion. That's all.

We are talking about my estimates today and I am saying that appears to be the tenor of the report—at least if the synopsis just given to me, I have not even seen it, is correct, then that was the tenor of the report. I am certainly not going to jump to that conclusion until I have had my staff review it properly and offer me their recommendation on it.

Mr. Bain: And you would be happy to meet with a delegation before a final decision is made?

Hon. F. S. Miller: I am always willing to undo the errors of the past.

Mr. Bain: That, I take it, is a yes?

Hon. F. S. Miller: Yes.

Mr. Bain: Let Hansard show the minister nodded yes.

Mr. B. Newman: Last week when we were discussing the minister's estimates I raised the issue of the Riverview Hospital. At that time, the impression was left in my community, rightly or wrongly, that Riverview Hospital still does have a chance of remaining where it is, that there are some studies being presented to the minister by the chairman of the board of the Windsor Western Hospital in which he is attempting to point out that the phasing out of Riverview would simply be a transfer of costs from Riverview to the other hospitals in the community.

Can the minister without any equivocation give us the straight facts concerning Riverview Hospital? Will it or will it not be phased out at or approximately at the end of the fiscal year, March 31, or some short time after March 31?

Hon. F. S. Miller: The answer I gave the other day as you know was remarkably brief for me. When you asked me the question about the future of the Riverview Hospital I gave an answer that implied that I was waiting for some information. That information was whether the date of March 31 could be met in the closing of Riverview. I understand there are certain technical problems in having all the alternative beds in place for that date, so that there may obviously be some need to carry on operations at that location for a short time after the finalized date.

But in terms of will it close or won't it close, the answer remains exactly the same. It will close at that location as soon as we have the other facilities available for the transfer of patients.

Mr. B. Newman: The reason I raised that is the community was informed that the minister was a bit hesitant and there was a chance that Riverview Hospital would remain open. Now I would assume the hospital will be phased out completely, but the exact date may not necessarily be March 31; it may be some short period after that.

Mr. Bounsall: Mr. Chairman, I say to the minister that I very much regret that that decision is now what it appears to be from the minister. He has just admitted to my colleague, the member for Timiskaming, that he is willing to admit the errors of the past. Certainly from your reply last week to the members here, in which I also asked you to be flexible, for the first time you seemed to be flexible on this issue of the question of the closing of Riverview Hospital. It's quite a disappointment to have you now admit publicly that the only flexibility you have is not the closing, but only the date of that closing. I cannot understand why the minister and his officials are so closed-minded with respect to this decision.

Mr. Wildman: Closed-minded in more ways than one.

Mr. Bounsall: It was implied last week that you were waiting to hear back from the district health council, with respect not just to the date but to the closing. I thought perhaps that may have been a political answer only at the time, because at that very time their chronic care rehabilitation committee had a chronic care task force touring the community—it has completed its work now—investigating what should best be done in chronic care. We hear in the community that the informal decision of that task force is that they are again going to recommend that Riverview not be closed. So that chronic care task force, reporting to the district healh council, would

have that district health council reporting to the ministry that that was the best information to be found in the community, having thoroughly surveyed the situation.

I just can't understand why the minister continues to be so closed-minded when not one, but more than one, fully experienced chartered accountant and people from the faculty of the business administration of the University of Windsor, have done the figures on this and are convinced that in fact there will be no money savings and simply a transfer of costs to other hospitals.

In addition, in the other hospital locations, the 120 or so beds remaining would be put into space which in most of them is no newer than the present accommodation they are in. The argument, about newer facilities, if one is going to use it as an argument on the minister's behalf, simply does not pertain either. Since at times you are willing to admit errors, I don't see why you and your staff simply do not face facts in this situation and admit that all you are getting is a transfer of costs.

To turn to another point, the provision of the services, to try to ward off the break-up of those units that are currently giving the service, Windsor Western-IODE, of which Riverview is a part, have indicated that they are willing to use their reserve funds, borrowing capacity and preferential income to build the two 72-bed wards that would replace the beds in Riverview out of the funds they now have, bearing in mind that although it might be some years, the building of new chronic-care facilities is the first priority in the capital construction programme for the city of Windsor.

I simply cannot see, with only a transfer of costs involved, with one hospital willing to do that, why those beds at Riverview cannot be left open until that hospital is built either with the Ministry of Health funds under the priority which it has, or until those hospital facilities are built via the means by which Windsor Western-IODE is willing to so do. I gather that there have been attempts made by Windsor Western-IODE to consult with Mr. Davies, your southwestern regional consultant, right until the very last instance to try and reverse this situation, which the minister is bull-headedly in this instance charging along with.

They are not trying to be confrontationalist on this. They are very concerned about this, Mr. Minister. They are waiting until the very last but let me tell you, they have already received support from Mr. Tony Borg of the service employees union saying to them that if it is the board's decision to go to court in order to prevent the closing, the union will join with the hospital in so doing. They do not wish to do that. They wish that reason would prevail on this, but I would suspect that the board, with that kind of support having been tendered, in the final analysis would be ready to take that step.

It's a step which would be time-consuming and expensive and in the interim of which Riverview Hospital would remain open. I really can't see why the Minister of Health and his staff will not face facts in this instance, look at the economics, admit that it's not quite the saving that you had anticipated and it's simply a transfer, and for the delivery of chronic care and the people using chronic care in the Windsor region the continued operation of Riverview is what should occur until those replacement facilities are built, whenever those replacement facilities can be, whether it be one year, two years or as long as five years.

Hon. F. S. Miller: There is a difference between flexibility and indecision. In your particular case, we had two years of negotiation which was flexibility and then an agreed-upon decision at the local level where we would cut our $4-million saving to roughly $3 million for the overall change of roles and beds in the city of Windsor. That was on 1975 figures. To go on past that point is to allow chaos to result.

We had a hammered out decision, obviously only hammered out because we were insisting on a better use of funds in the Windsor area, but in the final analysis we chose and accepted most of the recommendations made by a local study team last year. I am sure you know that. To pretend that we are going to keep reviewing and reviewing and reviewing, in my mind is only being unfair. That decision was taken early and it's one we have stuck with. There were, according to my estimations, some $3 million in savings in the Windsor area as a result of all the changes once they are completely effected and in my opinion that was necessary.

Mr. Bounsall: Just to go on very briefly, it's precisely that saving and whether you have accomplished that saving or any saving with respect to this one portion that's very much in question. With virtually the whole community wanting Riverview to remain open until adequate replacement facilities, if they are even necessary, are in fact built with no particular saving being proven around that particular point of it, is what the issue is

here now, and the issue is also programme and staff.

Some 300 employees are involved there. You are going to be paying out some portion of additional moneys for the termination pay when that should arise, and one does not have, to deliver chronic care in the community, that team of employees who are in fact skilled at it and want to work in that area that are presently in Riverview. That whole team, when and if new facilities are built, should move with those patients.

Mr. B. Newman: Mr. Chairman, if the officials from Windsor Western Hospital can prove to the minister that there is no saving whatsoever in the phasing out of the hospital, that it's simply a transfer of expenses from one hospital to another, would he allow Riverview to remain open?

[3:30]

Hon. F. S. Miller: Mr. Chairman, that was all discussed last year. I am no longer willing to reopen it.

Mr. Wildman: I have a couple of very short questions I would like to get the minister's answers on under this vote. The first one deals with the cut-backs in beds in Sault Ste. Marie after the restraint programme was announced. It has come to my attention since that time that prior to that decision and since—even more so since—a large number of people in my riding around Sault Ste. Marie and people living in Sault Ste. Marie who need to get into the hospital for care have some difficulty in getting in.

This morning my constituency office received a call from a gentleman who is suffering from cancer and requires therapy. His doctor says that he requires hospitalization in order to receive that therapy but his doctor is unable to get him admitted to the Plummer Memorial Hospital in Sault Ste. Marie because there aren't enough beds.

I would like to know the minister's reply to that. What is the situation with beds in Sault Ste. Marie? What is going to be done to ensure that people can get into the hospital when they need care, especially people with very serious illnesses like this, who require therapy but end up waiting? I have had a number of calls from people who have had difficulty. I was on an open line show a couple of weeks ago and people phoned up to complain about the elderly having difficulty getting into the hospital when they need to and having to wait one, two, sometimes three weeks. I would really like to know what the minister is doing in that regard in the area of the Sault?

Hon. F. S. Miller: In the Sault, I am told, we have an adequate number of beds in the two hospitals. I am quite willing to look at it. I think it is always possible to find patients who claim they have had to wait and who, in their own opinion, were deserving of admission. Perhaps they are even right.

At that point we have to look at the medical priorities and see that doctors in the area are discharging patients properly and their general admission and discharge procedures are properly carried out before you jump to the conclusion that the problem lies in the number of beds. That is why I can't really answer on the basis of one. I need to look at the overall picture to see whether it was being properly managed from a medical point of view.

Mr. Wildman: Okay. I understand the minister's answer on that. I certainly agree that perhaps some beds were being used and perhaps still are being used for chronic care when they are actually designated as active care beds. Perhaps if those people weren't in the hospital there would be beds available for people who need active care.

It is also true that the Davey Home residential care facility is being extended in Sault Ste. Marie and that might alleviate some of the problems of active care beds. It is a serious problem. I hope the ministry will look at it, see what can be done and see if there are adequate facilities. If there are, what can be done to ensure that they are being used as they should be, because I have had a number of complaints on this?

The other issue I want to bring up is in reference to Wawa. I understand the minister in August, 1975, made a commitment that his ministry was willing to allocate funds to provide ten extended care beds for that community.

I recently received a letter in response to one I had sent to the reeve in which he says, "Following a brief meeting with Frank Miller four or five years ago the approval for extended care was dropped upon the local hospital board." That is an interesting phrase he uses—"dropped upon the local hospital board."

He says, "This type of care has not been pursued by the township. In 1974 a group met with Frank Miller at Sault College; Mrs. Dwyer and Mrs. Lawson were in the group. Our needs were expressed at that meeting." He goes on to talk about residential care and

so on which aren't under your ministry, but I would like to know whether your ministry is still committed to providing extended care beds in the Wawa area?

If you are, what is the timetable? What is required of the municipality? How do you react to the phrase that you dropped this upon the local hospital board? I'd like to know what your feelings are on that and if the commitment is still there and what is required of the municipality in order to be able to take advantage of it.

As you probably know, there's also a movement afoot in Wawa to obtain residential care for the elderly there. Although the Ministry of Community and Social Services says there are enough beds in Algoma they are all in the southern part, which is 140 miles away from Wawa and many people don't want to go there. If you are committed still to the 10 extended-care beds, would you consider again a similar facility to the one in Hornepayne, where your ministry has co-operated with the Ministry of Community and Social Services to share a facility, where they provide a number of units for residential care and you provide for extended care in the same facility? And, if so, have you had any meetings with the Minister of Community and Social Services about that or with any people from Wawa?

I know there are a lot of questions there; I'd like to get some clarification.

Hon. F. S. Miller: Interestingly enough, at this very moment my parliamentary assistant is sitting in the office of the Ministry of Community and Social Services (Mr. Taylor) discussing Wawa. I was to be there at 3:30 and because I'm on my estimates I asked my parliamentary assistant to take my place and that is exactly what he's there for.

I guess it goes back to the point when I was Dr. Potter's parliamentary assistant, that the offer for 10 nursing-home beds as a wing on the local hospital was made. If we dropped it on the hospital board it was unintentional, because in fact representations were made to me via their elected representatives saying they needed those beds and that there appeared to be only one place in the community they could go—that was the hospital. Would I, therefore, consider giving them 10 beds, provided they were built in the normal, nursing-home way.

In other words, the funds for the actual creation of the physical plant would be raised locally, either by the hospital board or any other group and the facility then would buy its services through the hospital, but be paid the normal nursing home per diem. Because 10 beds couldn't justify a unit all by itself—it takes 60 beds to do that—it seemed a logical way out, because we did feel the people in Wawa deserved that type of service.

I can't tell you whether the offer is still bona fide in the sense that there's a commitment standing in my ministry, because usually we allow only so long for a commitment to be taken up and for working plans to come in. I do know that when the member for the area reported back to me that the hospital board was unhappy at being short-circuited, we deliberately stopped discussing it because obviously we had been led to believe that the hospital board wanted it.

It's very difficult sometimes to know, when you're talking to people from a given community, who represents that community's point of view. I had been led to believe by several people from Wawa that this would be met with open arms. So we in fact bent the rules for them, only to find that the hospital wasn't willing to keep up its share. I don't say that in the wrong way; I say they weren't willing to raise the money for building that unit. They would have done it had we provided the money. That, of course, is not one of the rules for nursing-home facilities.

As far as the Hornepayne experiment goes, I am unable to answer you today. We've gone in with Community and Social Services in Barry's Bay to do much the same thing, I believe, where we have one facility that I guess is off the drawing board but not necessarily off the ground. We have, in effect, homes for the aged—it's not quite the same, my deputy tells me, as Hornepayne, but it's at least combining the two ministries in trying to meet the needs of a small community in one building, rather than have two ministries say neither one can justify their own facilities because there isn't enough demand for them in the community.

Mr. Wildman: I appreciate the minister's answer on that and I want to concur with him in his interpretation of his offer and the way it was extended. I don't understand the former reeve's attitude in this letter. Certainly, the people of Wawa wanted the facility and they felt it was needed. I think one of the reasons the hospital board didn't go ahead with it was because they didn't get as much support as they should have from the municipal council—or at least they didn't feel they did.

It is interesting that you say your executive assistant is attending a meeting today to dis-

cuss Wawa. Could you indicate to me if you have had any representation from Wawa, from residents of Wawa, on this? I met with the people concerned, the senior citizens, representatives of the council and the hospital board a week ago Saturday. At that time, Mr. Renault, the representative for the council, said they had a proposal they were going to make to the Minister of Community and Social Services. They didn't want to go and meet with either him or with you until they had something very concrete they could put on the table as a proposal, at which time I phoned the office of the Ministry of Community and Social Services and indicated to them we would hold off on a meeting until we had something very concrete. I'm glad you're concerned with Wawa, but I'd like to know whether we are perhaps working at cross purposes and why you are having a meeting, unless it is just an interministerial thing, with anybody representing Wawa.

Hon. F. S. Miller: We always have representatives of citizens' groups and sometimes political influence is put on us to consider things. I think the very first time we met was on such an occasion, was it not?

Mr. Wildman: I'd like to have a meeting.

Hon. F. S. Miller: As a matter of fact, I have had people through my own party organization ask me the very questions you raised in the House here. I think that is quite a legitimate way for it to come from time to time.

Mr. Wildman: Are you telling me you are meeting a Tory?

Hon. F. S. Miller: There are still some left up there.

Mr. Wildman: Not many.

Mr. Kennedy: I want to take this opportunity to ask the minister about the status of the Mississauga Hospital extension. It has been a high priority for some time and, with the growth in population continuing, the problem is not lessening at all. As we were told the last time estimates were before us—I believe I raised the point—it was approved but it was a matter of funding. I am wondering at this point in time if any encouragement can be offered or if the minister might comment on the present status of accommodation and the pressure that is on at that location for additional facilities. I would think that pressure is just increasing in proportion to the population increase. I would appreciate your comments.

Hon. F. S. Miller: In the perimeter of the metropolitan area of Toronto there has been a great deal of population growth. We have a number of areas where we have been proposing the extension of hospitals. I think the extension of Mississauga was for 200 beds and $23.5 million or something of that nature. Hospitals don't come cheaply, I can tell you.

Mr. Kennedy: I think it was 15 million.

Hon. F. S. Miller: You may be right at $15 million. Maybe Peel was $10 million. In any case, I was looking the figures over earlier today because I was looking at my overall budget for capital and trying to relate it to the overall demands for capital. I only know that there is more demand than there is money. I have a feeling I'm going to have a difficult tightrope to walk in matching the demands of the north with the demands of the south. Therefore, I will be looking very carefully at the number of facilities each allocation would build in one place or another.

I can only tell you, yes, that is still a high-priority item, subject only to the availability of capital funds in my budget. Its position hasn't changed relative to other hospitals that we are trying to build. It's simply been a fact that I haven't had enough discretionary dollars in any given year to get it into that year. It's within a year, I hope, of being started at least.

[3:45]

Mr. Kennedy: Could I just ask a supplementary? Is it possible to do the funding over a number of years whereby the hospital board might get started with a certain amount of funding in one year with the idea that it be continued? Or are we speaking in terms of an approval in one year for the total funding? It takes longer than a year to complete.

Hon. F. S. Miller: It sure does. I think if I look at that hospital under any conditions it's a three-year funding mechanism and it may be even four. If I recall the only allocation of money for it in the coming year would have been something like $100,000 for planning fees—if I'm not wrong. I think I stole the only copy everybody had last week and I had it at home while I was there. I think $100,000 in round figures was allocated this year for planning.

Once the planning process starts, of course you then require something like $5 million the next year and $5 million the next year and $5 million the fourth year. The issue is not to let them start until in fact the other money is in place.

Mr. Kennedy: Would you try to scrape up say $4 million a year for the number of years needed?

Hon. F. S. Miller: Yes, I'm trying to—that I can answer affirmatively. At the same time I'm trying to solve the problems of Terrace Bay and of Kapuskasing and of one or two other places.

Mr. Maeck: Parry Sound.

Hon. F. S. Miller: Parry Sound is another one.

The cost of the 200-bed addition was $21 million and about $180,000 is all that would be required to let them start this year for planning services, $4 million the next, $5.6 million in the third, $2.8 million in the fourth and $1.4 million in the fifth year.

Mr. Moffatt: I'd like to speak for a couple of minutes, if I might, with regard to these estimates.

Mr. Conway: That is interesting, Mr. Chairman—a couple of minutes.

Mr. Angus: Watch it Sean, he is looking at you.

Mr. Moffatt: You know one of these days the member for Renfrew North is going to open his mouth and actually say something instead of just making a noise.

Mr. Conway: Now, now. Order. Order, please.

Mr. Moffatt: What I wanted to discuss was the practice as it has emerged over the past 10 to 12 months at the hospital in Bowmanville. As a direct result of the activities of the ministry in cutting back the funding and the number of patients allowable in the Whitby Psychiatric Hospital, what we have emerging in the region of Durham is a very serious situation where ambulatory patients are placed in the privately owned nursing homes in the area, and people who would normally be resident in those nursing homes are being forced to remain in hospital for extended periods of time because there is no suitable location for them.

I know the minister will deny this is happening, but if he will check with the administrator of the Bowmanville Hospital I'm sure this will emerge as being the case. What they have noticed over the past several months is that doctors who wish to discharge patients and normally would have used the privately owned nursing homes—there's no space in any of the publicly funded institutions in the region of Durham because there aren't enough beds available in the first instance—because of the number of ambulatory patients released from Whitby Psychiatric Hospital to those particular institutions, the hospital in Bowmanville has found the number of days stayed, particularly by elderly patients, has dramatically increased over the past little while. One of the board members of that hospital was in the House the other evening while the estimates were going on and drew this to my attention.

What has in fact happened is that the cost there accrues to the people in the region of Durham in two fashions. Number one, because these people from Whitby Psychiatric Hospital now are in the privately owned nursing homes, a portion is paid by the region of Durham. That adds significantly to the tax cost of the people in that area. As well, we're finding that these increased lengths of stay in the hospital directly contribute to increased costs. It's much more expensive to keep those people in the hospital, where they don't want to stay, the doctors don't want them to be there, but because there are no available spaces, that's where they have to remain.

I'd like to hear the minister's comment on that if I could please.

Hon. F. S. Miller: You started your comment by saying that I would deny it, and I will. HSC beds are separate from nursing home beds in our allocations for areas. Very often areas firmly believe that they're somehow being cheated on the number of nursing home beds available to them because they see people released from psychiatric hospitals in nursing homes, the very same nursing homes that may have nursing home patients. The fact is, though, that we have specific licences for these two kinds of care and, in fact, when an area is getting HSC patients, we are bringing business to that area, if you want to put it that way, that otherwise would be disbursed to the area of origin of the patient.

We're not really cutting down on the number of nursing home beds available for nursing home care patients. What is a more serious problem is who's getting admitted to the nursing home beds available? Should they be there? Or have they been allowed in by perhaps a generous assessment of the disability of the patient prior to admission by the family physician?

Mr. Moffatt: Mr. Chairman, if I may respond to that, what has in fact happened is that the tremendously expensive hospital care beds are the ones which are now having

to be used by those doctors in Bowmanville, even though in Bowmanville they have tried to comply in every way with the minister's regression analysis and they have closed down parts of wards, they have closed a whole floor, they have closed down beds, they're operating on a lower budget than they were last year and, in fact, they're finding that their costs are going up.

It seems to me that in this overall regional analysis, if that's what is done or was done, somebody made a mistake in the calculations, because the costs to that hospital board should not in fact have been going up but they are, and it's this sort of third level effect, the spinoff of your last fall's great activity, which is causing this little community to have great difficulty in maintaining its hospital.

I realize that the minister has attempted to deal fairly with this situation on an area basis, but in some cases where we have such a hospital board there is no fairness at all. What is happening is that costs which never used to be charged to the local people are now to some 20 per cent being picked up by the local people and other costs are being maintained at a much higher rate because of the place that we're keeping people.

Vote 3002 agreed to.

Mr. Chairman: This completes the supplementary estimates of the Ministry of Health.

On motion by Hon. F. S. Miller, the committee of supply reported certain resolutions.

Clerk of the House: Mr. Stokes from the committee of supply reports the following resolution:

Resolved: That supply in the following supplementary amounts to defray the expenses of the government ministries named be granted to Her Majesty for the fiscal year ending March 31, 1977.

Hon. Mr. Meen: Could we dispense with the reading of this report?

(Reading dispensed with; see Appendix B, page 5476.)

Resolution concurred in.

Hon. Mr. Meen: Mr. Speaker I understand Her Honour awaits without, and is prepared to enter and consider certain bills.

The Honourable the Lieutenant Governor of Ontario entered the chamber of the Legislative Assembly and took her seat upon the throne.

ROYAL ASSENT

Hon. P. M. McGibbon (Lieutenant Governor): Pray be seated.

Mr. Speaker: May it please Your Honour, the Legislative Assembly of the province has, at its present sittings thereof, passed certain bills to which, in the name of and on behalf of the said Legislative Assembly, I respectfully request Your Honour's assent.

Clerk of the House: The following are the titles of the bills to which Your Honour's assent is prayed:

Bill 97, The Credit Unions and Caisses Populaires Act, 1976.

Bill 99, An Act to amend The Corporations Tax Act, 1972.

Bill 130, An Act to amend The Planning Act.

Bill 133, An Act to amend The Assessment Act.

Bill 136, The Corporations Information Act, 1976.

Bill 137, An Act to amend The Business Corporations Act.

Bill 138, An Act to amend The Corporations Act.

Bill 149, An Act to amend The Municipal Act.

Bill 150, The Regional Municipalities Amendment Act, 1976.

Bill 151, An Act to amend The District Municipality of Muskoka Act.

Bill 152, An Act to amend The Municipality of Metropolitan Toronto Act.

Bill 153, An Act to amend The County of Oxford Act, 1974.

Bill 154, An Act respecting The Municipality of Shuniah.

Bill 155, An Act to amend The Insurance Act.

Bill 156, An Act to amend The Motor Vehicle Accident Claims Act.

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant Governor doth assent to these bills.

The Honourable the Lieutenant Governor was pleased to retire from the chamber.

[4:00]

FUNERAL SERVICES ACT

Mr. Wiseman, on behalf of Hon. F. S. Miller, moved second reading of Bill 171, The Funeral Services Act, 1976.

Mr. Wiseman: Mr. Speaker, I would like to make a few comments about Bill 171. The bill provides for two types of licences; there is a professional licence for funeral directors and a licence for funeral services establishments. As far as a funeral director's licence is concerned, we have adopted the licensing provisions of The Health Disciplines Act, 1974. The bill does away with the licensing for embalmers as all funeral directors are embalmers.

Complaints against funeral directors and disciplinary matters against funeral directors will be handled in the same fashion as the health professions under The Health Disciplines Act; that is, by the complaints and discipline committees. Our experience seems to indicate that this system seems to work well.

The Board of Funeral Services—that is, the governing board of the funeral directors—has been increased to a seven-man board, five professionals plus two lay representatives. The board provides for the licensing of funeral services establishments. This will eliminate some of the problems the present board has experienced over the years. Funeral services establishments must have a funeral director. Each funeral establishment requires a separate licence. These are some of the noteworthy features of the bill.

I would also like to inform the members that I will be moving three amendments to the bill. The first will be to section 2(2)(a) of the bill, to strike out the words "at least". This will ensure that four of the five funeral directors of the Board of Funeral Services are of the management class of funeral directors, the fifth being an employee-class funeral director.

The other two motions deal with the corporations that are licensed to establish or maintain funeral services establishments. The change will require that each one of a majority of the directors of the corporation is a Canadian citizen or a resident of Ontario. These changes will come in section 24(3) and section 36(2)(d) of the bill.

Mr. Moffatt: Mr. Speaker, there are a number of things that need to be pointed out this afternoon with regard to this particular legislation. I think the first thing that needs to be pointed out is that this particular bill had first reading on November 26, 1976, and while over the past several years there has been a great deal of discussion in the media as well as submissions to cabinet and to various government agencies from a number of concerned groups about this whole business of better policing of Acts covering funeral services, the people in this party feel one of the things that needs to take place with this particular bill is that somewhere along the line the public need to know more about how this Act will affect them directly.

What I think we are attempting to do here is to make this legislation proceed through this chamber in far to hasty a fashion. We are concerned that we have memorial societies, to use an example, which are placed in the Ministry of Consumer and Commercial Relations as a responsibility, but if you read this bill you'll find that in no place in the legislation are those people allowed any sort of input into the continuing workings of this particular Act.

We agree with the stated purposes of the Act. In conversation with the member for Waterloo North, we feel that this particular Act will be a significant improvement over the existing situation. We give credence to that. There is no reluctance on our part. But we are concerned with section 2(2) which precludes taking part in any of this board by people from the public at large. There are two people shown there, but the majority will be funeral directors. The memorial society people at large who have a concern with this whole topic will have no way of having any sort of control over the way the Act is applied.

We're aware that there are a number of things which occur in a family at a time when a person might have recourse to such an Act. It is a time of emotional involvement. It is a time when people really can't make a number of rational decisions. We realize too that the majority of people involved in the professions which would be affected by this Act have an interest. The majority of them carry it out in an appropriate fashion and deal in a very humane way with the people who are concerned directly. But, Mr. Speaker, and I am sure you are aware of this, in every instance of a profession there are some people who bring discredit to the rest of their fellows. I'm sure that the member for Waterloo North would agree with me on this that there are some communities not served by people such as himself who have the interest of all of their community at heart.

What we are concerned with is that this bill, if it proceeds at this time as it is now set out, will have had no input at all from people other than those involved in the profession as a professional person. We don't think that in the interest of legislation that is the way we should proceed.

Mr. Worton: In the future.

Mr. Moffatt: There are a number of people here who may be customers earlier than I; I'm not sue about that. I am concerned in this particular bill that people who have joined memorial societies in the interest of planning for some alternate method of dealing with their remains at the time of death will have had no say at all in this legislation.

As I'm sure you're aware there have been articles written over the past several years by a number of people ranging all the way from Peter Worthington to the moderator of the United Church, and that's quite a disparity in views I might add. All of those people have put forward the case that there is need in our society for the option for those who choose to provide some alternate method and not necessarily be locked into a system which is completely under control of those people who professionally are trained and so on.

In this particular Act there is no provision for those people in a memorial society really to have any way in which they can get at the way the board is running. I think that's extremely important. What we propose is that, while we have no aversion to seeing this bill come in some form with suitable input from the public, we think the board should have a different make-up. We are not about to say that the board should be three from this profession and two from outside and nine from somewhere else because we haven't really had that kind of input as a party. I don't think the government has and I don't think the third party has. What we are going to propose this afternoon is a resolution which will give us that kind of input from the public.

Seconded by the member for Port Arthur, I am going to move that Bill 171 be not now read a second time but be read a second time four months hence.

As I said earlier, we are not opposed to the principle of the bill. The principle of the bill is to regularize and bring under a firm body of control all of this business and we think that makes some sense. Apparently the bill does align very strongly with The Health Disciplines Act and all those changes and it brings some sense in that fashion. What we think needs to be done is to have somebody co-ordinate the efforts of the Minister of Consumer and Commercial Relations (Mr. Handleman) and the Minister of Health because they are both dealing with the same people.

I don't know if they are dead or the people are dead but something needs to be done in order to get that kind of input. It's not enough to sort of put this one group apart and say, "You stay here and we will deal with you in this fashion, in a very legalistic way, and when you need the services, you will move to another ministry and deal with these people." As a matter of fact, my colleague from Parkdale has questioned whether The Funeral Services Act should be in the Ministry of Health at all because it represents failure. Maybe it should be with—

Mr. Reid: They bury their mistakes.

Mr. Moffatt: —the Ministry of Consumer and Commercial Relations.

Hon. Mr. Meen: The minister of everything.

Mr. Moffatt: Maybe that's where it should be.

Mr. Foulds: The Minister of Revenue.

Mr. Moffatt: I question whether that minister could deal with it. He has so many other things on his plate at this time.

I would urge members to support our motion, which would mean that the public from all sectors would have a chance to have input into this process. We would then have some way of finding out what the best ways of dealing with this whole question might be.

Mr. Speaker: I might say that this is a reasoned amendment but it does not appear on the order paper. It should. It must appear on the order paper before it can be accepted so that the motion is not in order for that reason. Under section—I think it's 32(b); no, it's 32(a)—it says, "Notice shall be given of a motion for a reasoned amendment to a motion for second or third reading, for a resolution, or address, for the appointment of any committee, or for the putting of any written question." It does not appear on the order paper and therefore it's not proper.

Mr. Moffatt: Mr. Speaker, with all respect, before I presented the motion I did ask the Clerk of the House if it was in order to move such a motion to hoist. I don't claim it to be a reasoned amendment because I don't think there are any instructions to change or alter the Act. It simply says the bill would not now be read a second time but would be read a second time four months hence. While I am not a parliamentarian as the member for Cornwall (Mr. Samis) might be, I would think that is not a reasoned amendment.

Mr. Speaker: While the debate continues, I shall consider it, but the next part says,

"Notices under this standing order are to be laid on the table before 5 o'clock p.m., and printed on the notice paper for the following sitting day." In my opinion it is out of order but I shall consider it while the debate continues and decide whether we should place it or not.

Mr. Foulds: On that point of order, Mr. Speaker, while you are considering it, might I ask you to consider seriously the difference between what we call a hoist motion in the House and a reasoned amendment? I believe the two are separate in practice, as I recollect. A hoist motion is acceptable at the conclusion of a speech and—

Mr. Speaker: I will take that under consideration.

[4:15]

Mr. Good: I would like to declare that I am a funeral director, licensed under the present Embalmers and Funeral Directors Act, and I would like to participate in this debate on the same basis that a school teacher would participate in a debate on legislation dealing with legislation of school teachers, that a farmer would deal with legislation dealing with the farm community, and that others in this House, such as lawyers, have in the past dealt with legislation dealing with The Law Society Act. Indeed, I recall that the member for Oxford (Mr. Parrott), who is a dentist, dealt with The Health Disciplines Act, and in my view made a great contribution by bringing in a very important amendment into the Act which only he as a dentist could bring the government to accept. That was back in 1974. I am dealing with this bill with a background of some knowledge of it and, as a legislator as well as a funeral director, I hope to bring a little information to the House regarding this bill.

First, I would just like to say by way of background that there has been legislation—I think starting back about 1914—regulating certain aspects of the funeral business in the province of Ontario. The present Act, which is still in effect, I believe was introduced in the early 1940s; it was one of the last acts of the then Hepburn government before it went out. Finally, some 30 years later, we have one of the last acts of another government in this session, and who knows what the future might bring or what the omen might be in that particular instance.

The Minister of Health (Mr. F. S. Miller) has been trying to bring this legislation before this House for over five years. I believe it was when the hon. member for Scarborough North (Mr. Wells) was Minister of Health, that he first realized the necessity to update our legislation regarding funeral services in the province of Ontario. It has been a long, tough job trying to bring in a bill which would suit the needs of the province of Ontario, both in regulating the funeral directors' practice and in protecting the public interest. There were other issues at the time which seemed of paramount importance, notably the potential taking over of funeral service in Ontario by foreign investment. Happily this did not materialize.

I think this is good legislation. Administered by a Board of Funeral Services, it will not only regulate the funeral service, but protect the public interest. All ethical funeral directors in the province are concerned that the public interest is protected. Unfortunately—perhaps it is part of our own problem—there has not been over many years much communication between the business and the public at large. I think those people who have had constant contact with the funeral business, such as clergymen and what not, perhaps realize better than anyone the work that has gone on by this particular group of people in the province.

The first particular part deals with the establishment of a Board of Funeral Services, not unlike the present board, which is composed of five members, one of whom is a person not licensed under the Act, or a lay person. This Act suggests that the board be composed of seven persons, five of whom would be licensed; one of those five would not be an owner or a manager, and then there would be two lay persons. The purpose for having the two lay persons, of course, is to protect the public interest.

Let me say that the notion that there should be overwhelming representation on the board by unlicensed persons could lead to falling into a rather unusual predicament. I am told, and I have looked into this very thoroughly, that 90 per cent of the work done by the present board is of a technical nature; by that I mean the establishment of standards, the establishment of examinations, the conducting and supervision of those examinations, the marking of papers and things of that nature, which must be done by people who are well versed and knowledgeable in those matters.

The matters of complaints regarding embalming, the shipment of bodies outside the province, the funeral director's relationship to The Public Health Act, The Cemeteries Act, The Coroners Act, The Prearranged Funeral Services Act and The Vital Statistics

Act, all of which very closely supervise and govern the operation of funeral service in the province of Ontario—these are technical matters which must be dealt with by a board which is knowledgeable and has had a background of experience in the funeral service business. There must, of necessity, be lay persons on that board so that the public interest can be looked after and dealt with.

The proposal would indicate that the lay persons' major duty would be to sit on the complaints committee and the discipline committee of the board. The board is made up of seven, and I would like to draw some comparisons with other boards that have been established previously.

I checked the record. There was unanimous agreement in the Legislature by all parties when the boards were set up under The Health Disciplines Act and the ratio of lay persons on those boards is very similar, if not, in some instances, fewer in proportion than on this particular board. The dentists, with a nine- to 12-man board, have three to five lay persons, which is about 33 per cent. The doctors, with a 17- to 23-member board, have four to six lay persons, which is about a 23 per cent representation. Nurses, with 24 to 32 personnel on the board, have a six-to-eight representation of lay persons, which is 25 per cent. Optometrists have about a 30 per cent lay representation; pharmacists about a 23 per cent representation. The funeral directors bill, as it is now drawn up, calls for something just under 30 per cent lay persons' representation on the board.

I think it is logical and fair to assume there must be lay person representation on the board, but there certainly could not be an overwhelming group of lay persons because the burden of work of a technical nature carried by the board, as I had iterated previously, would certainly be overwhelming for two or three licensed personnel.

The public interest, of course, is protected by the establishment of a complaints committee and a discipline committee. Before we deal with that, I think it is important that I read from the Act a few of the objects of the board and they are these: "To regulate the practice of funeral directors in accordance with this Act and the regulations." That is a much broader concept than in the previous bill. This provides for the regulation of both the business and ethical practices of all persons licensed under the Act—"to regulate funeral services establishments in accordance with this Act and the regulations."

Previously, the old Act provided only that a licensed funeral director could be regulated. Under the new Act the establishment will also be licensed, so that it will be possible, under severe disciplinary action, not only to take away the licence of the funeral director but also to take away the licence of the establishment, which is a very serious course of action that could be possible. That type of sanction, of course, would effectively put a funeral director right out of business.

Also, another paragraph says, "to establish, maintain and develop standards of professional ethics among funeral directors and funeral service establishment licensees." This means every funeral director in every establishment must be licensed under this Act and there will be developed a standard of professional ethics. We have a code of ethics in the funeral service business from our association, but, unfortunately, not all funeral directors belong to the association. So this particular section would now bring under the umbrella of a code of ethical practices all persons engaged in the funeral business.

The board is required to establish four committees: an executive committee made up of three persons with one of whom must be non-licensed; a licensing committee, three persons with one non-licensed; a complaints committee made up of three members of the board, one of whom is non-licensed; and a discipline committee of three persons, one of whom is non-licensed. It is a condition of this bill, as it was with other legislation dealing with the other services under The Health Disciplines Act, that the lay person sitting on the complaints committee may not sit on the discipline committee. In fact, no member of the complaints committee may sit on the discipline committee. So we have a situation where those dealing with a complaint will not then pass judgement if the matter goes to the discipline committee, which I think is very fair.

It should also be pointed out here that while the funeral services establishments themselves are responsible for payment of members of the board on a per diem basis, the lay persons sitting on the board will have their per diem and expenses paid by the government. So that there could be absolutely no thought or even implication of conflict of those persons sitting on the board in that they were beholden to anybody. They are there as representatives of the public on the board, which I think is very commendable and a good idea.

There is provision in the Act for a board of inquiry made up of three members of

the board, one of whom would be non-licensed who can look into matters dealing with an incapacitated funeral director, who it would be best not to permit to continue to serve the public. This is standard in the other legislation, too, where there can be a method to remove from service to the public those persons who are not competent.

The Funeral Services Review Board is established here, which is something new. I think it is of great significance and should go a long way to allay the fears that had been expressed by the former speaker. The Funeral Services Review Board is made up of three to seven members who will be non-licensed persons or persons not engaged in the public sector of the province. This review board acts as an appeal board to complaints that have been put before the complaints committee. Either the complainant, or a funeral director against whom a complaint has been made—if either party feels that the complaints committee has not dealt justly with that complaint, then the Funeral Services Review Board will review that particular decision. The Funeral Services Review Board can also deal with matters that have been before the complaints committee for 60 days and have not been dealt with.

What fairer system could there be where a complainant, whether a member of the public or a funeral director against whom a complaint has been made, who is not satisfied with the action being taken by the board, has a procedure where an appeal can be made to a public body on which there will be no civil servant representation and there will be no one on that public group representing licensed funeral directors? To me, that is eminently fair, it is the ultimate in appeal and looking after complaints. This is taken right out of The Health Disciplines Act and is common to all of them. Delays of 60 days by the complaints committee in acting on complaints can result in action by the review board.

I think it is interesting to note some of the powers of the review board. After the hearing the review board may, "confirm the decision, if any, made by the complaints committee;" or, "make such recommendations to the complaints committee as the review board considers appropriate;" or, "require the complaints committee to take such action or proceedings as the committee is authorized to take under this Act."

So we find that there is a good procedure in this bill, as there is in the other health disciplines, to deal with complaints, both by the professionals within the group or by the public at large. And for these reasons I certainly feel that the public interest is well protected, which is the real basis of bringing in a new Act. The old Act had its shortcomings; it has been with us a long time. There were certain punitive sections in there which were practically meaningless. The board did not have the necessary sanctions to deal properly with its own members. These have certainly been increased and improved.

[4:30]

I would like to just also draw to the attention of the House the powers of the discipline committee. While I won't read what all the powers of the discipline committee are, I would like to say that the discipline committee now has powers to revoke a licence, which it had before, to suspend a licence and impose restrictions. The important part is subsection (e) which now gives the discipline committee power to impose such fines as the committee considers appropriate to a maximum of $5,000, to be paid by the funeral director to the Treasurer of Ontario for payment into the consolidated revenue of the province.

I'm sure some members in this Legislature will remember this as the amendment we fought until two o'clock in the morning to get into The Health Disciplines Act so that the dentists would have power to deal with their particular members in that manner. It was a very important amendment.

Mr. Conway: That's why the member for Oxford is smiling.

Hon. Mr. Parrott: It's good legislation, that is why.

Mr. Good: The member for Oxford played a very important part in getting that particular sanction in as a power of a discipline committee dealing with a group. I think it is most important.

Mr. Conway: No doubt he did.

Mr. Ruston: The party didn't agree with him.

Hon. Mr. Meen: Something you can really get your teeth in.

Mr. Good: We were very indebted to him for helping our cause of getting the Minister of Health (Mr. F. S. Miller) to accept that amendment. Every body, except that under The Law Society Act, has power to fine its members and turn the money into the consolidated revenue of the province.

Mr. Ruston: We got to fix them too.

Mr. Good: I think we are going to have to do something about that, Mr. Speaker.

Mr. Samis: Unanimous consent.

Mr. B. Newman: With the dentists or the lawyers?

Mr. Good: I don't want to overdo this. I know. Unfortunately—

Mr. Conway: Even the legal profession.

Mr. Good: —The Law Society Act still allows the Law Society to assess costs against its members as a punitive measure. In my view and in the view of any group which wants to deal with its own members must do so with moneys provided by others in that group and not with set costs against that particular person. I think a fine is what should be made and that money should not go to the benefit of the group concerned but into the consolidated revenue of the province. That is a great step forward, in my view.

There is an appeal on the discipline committee's action to the Supreme Court, and this, of course, is in all other legislation.

There are sections which say that no person shall act as a funeral director and no person shall establish a funeral home except under authority of a licence under this Act. I think this is important. It's the only way there can be control over the actions of those who are holding themselves out as funeral directors.

When we get to section 24, I'm very pleased that the parliamentary assistant has indicated he will bring in an amendment which meets the objections of many. I suggested to the minister last week when this bill was first introduced that this particular amendment should be in here. I am pleased to see that they have consented to bring it back. The amendment has simply to do with when a corporation is the funeral home owner. When the owner is a corporation, the Act now states that one member of the directors or one director of the corporation must be a licensed funeral director but the amendment proposed will also indicate that the majority of the directors must be Canadian citizens.

I'd like to give members a little background on this. The present Business Corporations Act of the province of Ontario, section 122, requires that the majority of the board of directors of a provincially-chartered corporation shall be resident Canadians. We require this in any business incorporated with a provincial charter. Those incorporated federally have the same requirements. The federal Corporation Act requires that the majority of the directors of a federally-incorporated company be Canadian citizens. There is one minor exception when a federally-incorporated company contributes, I think, less than five per cent of the profits of the parent company; they are excused.

In my view, the only way to control extra-provincially incorporated companies doing business in Ontario is to require them to do their business through a Canadian subsidiary which would have a majority of Canadian shareholders.

I personally feel that corporations owning funeral homes in Ontario should do so from a Canadian-based subsidiary company and not from a head office in some foreign country. We presently have two US corporations which own funeral homes in Canada and each of these is operating in the province of Ontario. Briefly, Mr. Speaker, one is IFS, which is International Funeral Service Incorporated, with head office in DesMoines, Iowa. They own 15 funeral homes, I understand, and they conduct their Canadian operation, including their Ontario operation, through a subsidiary called Canadian Funeral Management Incorporated, and they have a majority of Canadian directors on their board of directors and feel that this is how their Canadian operation should be run. I feel that's how it should be done, and fortunately that particular company is doing it that way, because I personally feel there is some difference in the way the funeral service business operates here in the province of Ontario and the way it operates in some sections of the United States.

The other company, though, SCI, Service Incorporated International, based in Houston, Texas, its Canadian operation is run by a computer hookup with its head office in Houston, Texas, and I just don't think that's good enough. I feel it would be no great hardship for them to form a Canadian subsidiary with a majority of Canadian directors. I think that I'm only one of many who feel that this particular service business of an intimate nature should be operated at least by a subsidiary with a Canadian board of directors. Because of this, I am certainly pleased that the minister has seen fit to bring these amendments into the bill as I had suggested to him when I first saw the bill.

There are a few other things I would like to say, Mr. Speaker. One thing that I think will be of interest to the lawyers is that previously the funeral directors in the province of Ontario had the shortest statute of limitation of any particular group. In other words, according to the old Act if you wanted to bring

a civil suit against a funeral director you had to do it in three months or the statute of limitation had expired.

Mr. Reid: Or they wouldn't bury you.

Mr. Good: This will now be changed and the Act will now read, "unless such actions commence within one year from the date when the person commencing the action knew or ought to have known the fact or facts upon which the alleged negligence or malpractice" and so on.

I take some good-natured ribbing from some of the lawyers in our caucus over this three-month statute of limitation period, and I said well, really, you don't need it at all because I don't know of any instance where a funeral director has been sued for malpractice or for misconduct of that nature.

Mr. Reid: You just bury your mistakes, that's what.

Mr. Good: There was one potential suit, I understand, which was settled out of court.

Mr. Reid: How much did it cost you?

Mr. Good: So there never has been in Ontario a court action against a funeral director for negligence or malpractice. So the lengthening of the statute of limitation period is good.

I would like to say just a few words about the opposition that has arisen to this bill from the memorial societies. The memorial societies are a group in the province of Ontario that have established themselves in most major cities. Their main function appears to be to convince people that our present type of funeral service should not be offered to everyone and they do promote a type of service which is not a funeral service but simply a matter of disposing of the body. This they call Plan A, and I would like to say a few words regarding some of the telegrams which I have received.

Mr. Conway: Is there a Plan B?

Mr. Good: There is, in fact, a Plan B—

Mr. Samis: Tell us about it.

Mr. Good: —and a Plan B, to bring you up to date, consists of Plan A plus a memorial service at a later date.

Mr. Conway: Is that the layaway plan?

Mr. Good: Let me say this—

Mr. Edighoffer: Order.

Mr. Good: —I can assure this House that there is no area in the province of Ontario where the services of a funeral director are not available to meet the needs of the members of the memorial society in the manner in which they want to be served.

Mr. Foulds: That's a pretty sweeping statement that you won't be able to back up in fact.

Mr. Good: I can back that up in fact and I will go further, Mr. Speaker, to say this, if it can be proved there is a funeral home in the province of Ontario that has not served a family in the manner in which it wants to be served, no matter how minimal that service would be, I would like that particular memorial society member or the memorial society in that area to report that matter to our present board which will deal with it.

The facts of the matter are simply these, that in the 15 years the controversy has been going on there is only one instance of one specific complaint against a funeral director by memorial society members. This was a matter which dealt with additional charges for removing the body from Toronto to southwestern Ontario for burial, which the person who belonged to the memorial society thought was included with his payment for the disposal of the body.

I feel badly that we must meet these complaints in a public forum. I have telegrams here from the various memorial societies around the province. I would like to simply read one to give members the gist of what the problem seems to be:

"On behalf of 2,000 members of the Hamilton Memorial Society, I would like to inform you of our dissatisfaction with Bill 171, due for second reading in the House on Tuesday, December 7. The proposed changes to The Embalmers and Funeral Directors Act include a seven-person Board of Funeral Services, five of whom must be members of the funeral industry. This continued self-regulation of the funeral industry is completely unacceptable since it is not in the consumer interest. We urge you to defeat Bill 171 and to give serious consideration to a board that would include a majority of consumer members. This is the only way to ensure a fair hearing for complaints regarding the funeral industry in the province of Ontario.

"Yours sincerely, Joan Marshall, director, Hamilton Memorial Society."

I would ask Mrs. Marshall to indicate to someone, to the present board, how many complaints they have lodged against funeral directors in the province of Ontario. You will find, Mr. Speaker, that there have been none.

I would also invite those members of the memorial society to tell our board the names of funeral homes which have refused to serve them in the manner in which they want to be served, which is a disposal of the body, in most cases without any type of service. Anyone in the province of Ontario who does not wish to have the functions of what we call a normal funeral service does not require them. There is no law in the province which requires embalming, unless that body is going to be held for a certain number of day for a public funeral. Then it comes under The Public Health Act and one would have to get authority of the local medical officer of health to keep that body unembalmed.

There is no law which says a body has to be embalmed if it's going to be buried or cremated within a reasonable length of time before it becomes a public health hazard. Funeral directors are aware of this. I know of no instance where there has been a complaint to the board by people who have not been served in the manner in which they wish to be served.

The other telegrams I have received dealt with exactly the same type of thing. The indication in the telegrams seems to be that there have been complaints and they have not been fairly dealt with. The present registrar and the present board would sincerely like to know what those complaints are against the funeral service business.

Mr. Samis: This sounds like a free-time political announcement.

Mr. Good: All right, maybe it is.

Mr. Conway: Give it to them.

Mr. Samis: I am listening, don't worry.

Mr. Conway: Let's bury the NDP.

Mr. Good: I feel badly about this criticism of this particular branch of business and that these critics have been so vocal. I just wish they would back up their verbal criticism with facts and names of funeral homes in the province which have not dealt with people properly. Mind you, I'm not saying there aren't any; but as yet facts have not been given to our present board.

There is on an average about one complaint a month before our present board dealing with funeral services. By and large they are not complaints of people against the funeral director, the public against the funeral director, they are complaints where the funeral director has contravened the present Act. In other words, he's maybe running a branch without a licensed person, or he has done something in contravention of The Prearranged Funeral Services Act, which is something which is relatively new in the past 10 years. Any moneys collected on prepaid funeral services come under that particular piece of legislation.

[4:45]

I am thoroughly convinced, as one who conscientiously feels that the public interest in all areas must be protected, that this bill is a much better vehicle to protect the public interest and regulate the funeral service industry in the province of Ontario than was the previous bill. I would sincerely ask for support of this bill from all members of the House.

Mr. Speaker: Before we proceed I should clarify the matter which I took under advisement a few moments ago. I find that this is not a reasoned amendment but just an ancillary motion or what is sometimes known as a hoist motion and therefore is in order as is. I'll place it before we go further.

Mr. Moffatt moves that Bill 171 be not now read a second time but be read a second time four months hence.

Since I have to inform the House before 5 o'clock about this matter I shall do so now. I beg to inform the House that in accordance with standing order 27(g) the hon. member for Bellwoods (Mr. McClellan) has filed the necessary notice that he is dissatisfied with the answer given by the Minister of Health (Mr. F. S. Miller) to his question concerning the implementation of the Willard report. This matter will be debated at 10:30 this evening.

Do we have another person who wishes to speak on this bill? The member for Port Arthur.

Mr. Foulds: Thank you, Mr. Speaker. At the risk of arousing the catcalls of other members of the House, I do feel somewhat ill-prepared for the debate. I think that speaks to the point raised by my colleague the member for Durham East (Mr. Moffatt) and the point made to me on the weekend in an astounding number of cases; that is the bill is being unduly rushed through the House, I think. The member who has just spoken said it has taken the Minister of Health five years to bring forth this piece of legislation.

If that is the case, why was it necessary for the bill to be placed on the order paper for the first time so that we saw its actual con-

tents on November 26? After it is in legislative form none of the consumers or consumer interests of the province has the opportunity to comment on it in its final legislative form. That is one of the reasons I wholeheartedly support the hoist motion.

If that hoist motion does not pass, if it is not accepted either by the Liberal Party or by the Conservative Party, I would very seriously plead with the parliamentary assistant to withdraw the bill temporarily so that those people who are concerned about certain sections of the bill have an opportunity to make their representations to the minister, to the Premier and to him, and that we bring the bill back within the first week or two of the new session of the House. We do not want to obstruct the bill unduly and we do feel there are improvements which have occurred but there are some very serious limitations to the bill.

I want to say at the outset that the only direct personal experience I have had with a funeral director and a funeral home was on the death of my father some three years ago. That experience was entirely satisfactory, and I have no personal axe to grind against funeral directors or funeral homes. That was the route my family chose to take at that time and that was quite a satisfactory route as far as we were concerned. I think that choice should be available to as many people in this province who want to make it. I also submit to members that this bill unduly limits the choice of those people, particularly those people in memorial societies, who want to have a more simple service and disposal of the body.

Mr. B. Newman: In what section?

Mr. Foulds: Section 5. I was astounded on the weekend at the number of calls I received from people who had just heard of the bill and it brought my attention to the kind of things that happen in this Legislature even in the days of minority government. With the best will in the world, with the rush to accomplish business by the closing of the House, we sometimes overlook the major concerns of people in the province.

I was deluged with phone calls in my constituency office and a very unusual thing happened—I had people coming to my home on Sunday evening to express their concern. The memorial society people in Thunder Bay hurriedly put together briefs and letters which they sent through the courier service of my colleague, the member for Fort William, who left on a slightly later plane than I did to come here to Toronto.

One of things I want to underline is that people in memorial societies are, by and large, rational, articulate people who have no disrespect to express against the process which exists and which they would like to see possibly implemented. The phrase one of those people used to me was that the bill was going to be "rammed through the House." I was surprised. I had looked at the order paper and looked at the bill but hadn't been fully aware that that was the piece of legislation being processed. I'm very glad I was alerted to that danger.

I would like to read into the record, if I might, copies of a couple of letters forwarded to me, which were sent to the Premier and to the Minister of Health. I think they outline the concerns certainly of the people who belong to the memorial society in Thunder Bay. The letter is dated December 3 and addressed to the Hon. William Davis.

"Dear Mr. Davis,

"Re proposed Bill 171, The Funeral Services Act, 1976.

"Please don't, whatever you do, don't let Bill 171 pass until you have given yourself and your cabinet time to understand how gravely you would displease over 30,000 Ontario citizens who have joined memorial societies and thousands of others preparing to join. Give yourself time to revise it, to provide adequate, effective, consumer representation. Don't listen only to your present board of administration, packed with funeral directors. Profit by the studies of lawyers Neilson and Watkins in Ontario, Dr. Gosse for the government of British Columbia and the Federal Trade Commission in the United States. Learn why Ontario Funeral homes should be forbidden to embalm bodies before receiving family instructions and obliged to quote prices when requested.

"Mr. Davis, memorial society members are voters—teachers, doctors, lawyers, professors, nurses, clergymen, engineers, as well as people in humble callings. Their common denominator is that 92 per cent of them, recording their funeral choices on society forms, while in good health, free of grief, in consultation with spouses or next of kin, choose simple disposals at modest or low cost.

"Unless they own a grave plot, they usually opt for cremation, no embalming, cosmetology or open casket viewing. Most believe that a memorial service held after their body has gone to the cemetery will celebrate the life that was lived as well as, if not better than, a service with the dead body present. They believe that the amount spent on a

funeral should never be taken as the measure of a person's love, honour or respect for the dead.

"What happens when people seeking simplicity go to the Ontario funeral directors who naturally like to sell costly caskets, embalming and viewing? We hope you've read the seven-page brief mailed to you on December 2."

I say that I'm sure the Premier hasn't read that seven-page brief and I believe the parliamentary assistant probably has not yet had an opportunity to read that seven-page brief. Until that kind of material is viewed by the government I don't think the bill should proceed.

The member for Waterloo North asked for examples of offences and although there may not be any legal offences, it is very difficult for a person to get a quotation from a funeral home in advance of the—well, I have a letter right here which I will read into the record and I will be delighted to send it to the board.

It was sent on November 30, 1976, from the Blake Funeral Chapel in Thunder Bay to Mr. Eric Gowen, president, Memorial Society of Thunder Bay, PO Box 501, Thunder Bay F, Ontario, and it reads:

"Acknowledging your letter of November 22, 1976, and your request for pricing of your type A and B services, we are prepared to discuss these with the families only at the time of need or as a pre-arrangement, and can assure you that they will be competitive and to the satisfaction of the family for the service they request. At no time was any price given to your society by our firm." That was a reference to some previous controversy between the parties there.

The letter to the Premier goes on: "A few firms philosophically and courteously supply simplicity at low cost." They agree to that point, that there are some firms that do that. "For example, Mr. Paterson of William Speers Funeral Home, Toronto, while carrying on his normal business, has pleased hundreds of bereaved with simple disposals at $160 or $170. How we wish we had one like him in Thunder Bay! Here the prices quoted verbally to memorial society representatives early this year were Everest Funeral Chapel Limited $225; Jenkins Funeral Home, $265; Blake Funeral Chapel Limited, $325; Sargent and Son Limited, no quotation. The Blake $325 is no longer reliable." That's because of the letter that I just read.

"When on November 21 a CNR employee had died and I was asked to accompany his widow, son and daughter while they arranged for a simple disposal, to be followed by a memorial mass at St. Agnes Roman Catholic Church already promised by the priest for November 23 without the body present, the man in Blake's office, a Mr. Salini Jr., stated a price in excess of $500 for a simple disposal! It was the highest I ever heard of. Would you please note in the Blake letter the conditions under which this Ontario monopoly-protected funeral director will divulge his prices?" He goes into referring to lengthy articles in the local press that I won't refer to.

"It is a real regret that such a letter as this must be written to you. Don't proceed with Bill 171 until it is altered.

"Yours truly, Eric Gowen, President, Memorial Society of Thunder Bay."

The letter to the Minister of Health is somewhat briefer. I hesitate to read parts of it, but I will read it in its entirety.

This was also signed, I should make it clear at the outset by Eric Gowen, president of the Memorial Society of Thunder Bay.

"Re proposed Bill 171, Funeral Services Act.

"My claims on your attention are that I voted for James Jessiman in the last Ontario election"—I am not sure that that's a valid claim for anybody's attention, but the person says it—

Mr. Ferrier: He shouldn't be bragging about it anyway.

Mr. Foulds: —"that I lived in Ontario for 68 years."

Mr. Deputy Speaker: It is not a part of this bill either.

Mr. Foulds: That's not my fault. I am just quoting the letter that this gentleman has sent to the minister, which I am sure he has not yet had an opportunity to read.

Mr. Ferrier: He doesn't have the same courier service that you have.

Mr. Foulds: That's right.

Mr. McClellan: Was it in a brown envelope?

Mr. Foulds: This was a public white envelope carried by my colleague, the member for Fort William: "—that I have lived in Ontario for 68 years that I am president of the Memorial Society of Thunder Bay and that I am public relations officer of the Memorial Society Association of Canada.

If indignation should blow me into a thousand pieces, each piece probably would rise up and protest your proposal of Bill 171 in its present form.

"Are you unable to see that if it were passed, Ontario's funeral directors, with some notable and appreciated exceptions, would continue the same abuses of their privilege of self-governing monopoly as they have under the 1970 Act? They were drawn to your attention in the six briefs to your ministry of the Memorial Societies of Ontario in October, 1973, soon after the publication of the Neilson-Watkins report. Did it not commend itself to your intelligenec at that time?

[5:00]

"Those abuses have not gone away. They include embalming without awaiting family instructions, withholding prices until people are in the grief and shock of bereavement, failing to display or stock a lowest-cost casket or cremation container, misrepresenting embalming as being essential for public health reasons. (Physicians J. R. Augustine and Neil McLeod on the advisory board of the Memorial Society of Thunder Bay have told its members that embalming serves no public health purpose, yet defenceless people in grief in Ontario and elsewhere are told otherwise by some funeral directors.)

"Are you informed as to memorial society aims and objects? In case the funeral directors to whom you have listened have persuaded you that our members are merely after cheap funerals, I attach one of the AIMS pamphlets they read when joining so you may know better. At the present rate of growth there will soon be 40,000 Ontario members. On their behalf I must ask questions about some of the clauses of Bill 171 and make comment as attached. Your answers will be appreciated.

"In the meantime, you are requested not to proceed with Bill 171 until you have read our brief mailed to Premier Davis on December 2 and the subsequent letter, and informed yourselves more fully.

"Yours truly, Eric Gowen, President, Memorial Society of Thunder Bay."

I would like to point out that the people in the Memorial Society in Thunder Bay only got word of the bill being on the order paper on Thursday of last week.

Mr. Good: What is wrong with their member?

Mr. Foulds: As a matter of fact, I didn't make any bones about that. I pointed out that I was not aware when I started to speak that the bill had been placed for first reading. I am sure not all members present know right now all the bills that have been placed for first reading on the order paper. Some of those things escape us from time to time.

Mr. Ferrier: We weren't consulted by the minister like you were, Ed.

Mr. Ruston: Thought you had top research.

Mr. Foulds: These people in that very brief period of time got together a letter with an attached petition. It is addressed to myself and to my colleague, the member for Fort William.

"Re Bill 171. Please find enclosed a copy of a letter of protest from concerned citizens in Thunder Bay to Premier Davis requesting that he postpone the second reading of Bill 171 for further consideration.

"Also enclosed is a copy of a letter sent to the Hon. F. S. Miller, Minister of Health, asking for his assistance in this matter."

The petition reads as follows:

"Hon. William Davis, Premier of Ontario, Legislative Buildings, Queen's Park, Toronto.

"Dear Sir:

"We, the undersigned, do protest the hasty passage of Bill 171. We ask you to postpone the second reading for further consideration. We believe this bill is not in the best interests of the people of Ontario. We also ask you to change the provisions of the bill so:

"1. That more than half of the members of the administrative board are consumer representatives rather than funeral directors;

"2. That it will not become illegal for persons other than funeral directors to offer advice on funeral planning;

"3. That funeral directors may not proceed with embalming without authority from the next of kin;

"4. That funeral directors may not misrepresent that embalming is necessary for public health reasons;

"5. That funeral directors are required to quote prices on request;

"6. That funeral directors are required to have available to consumers at all times a minimum-cost casket or cremation container."

That letter is signed by 109 different signatures; some are couples' signatures, although both parties have not signed, but there are 109 signatures. Coming from Thunder Bay alone, that seems to me to be a significant protest and a significant reason why the parliamentary assistant should over the sup-

per hour consult with his minister and possibly take our suggestion on the bill.

There is just one individual letter that I have received; it's a copy of a letter that was addressed to the Premier, dated December 4.

"Dear Mr. Davis:

Please hold your horses on Bill 171 until its provisions are more consumer-oriented. I understand that the bill in its present form allows funeral directors to police their own industry and that it makes it illegal for anyone else to give advice to bereaved families. I strongly feel that the Ontario government should protect the consumer rather than an industry which is already regarded as one of the 'rackets' of society.

Yours very truly, Herman J. Dost."

I want to make it very clear, Mr. Speaker, that all of those comments are not necessarily endorsed by myself, but I wanted to put them on the record of the House as being legitimate concerns by the constituents in my area. I also want to put on the record of the House the very grave concern I have as an individual member of the House that the bill is being rushed through. I think it's worth taking note of some of the public discussion that has taken place over the last number of years about the whole business of funerals and their high costs and the consumer-oriented style of funeral service—which is what this bill deals with—that has come to be accepted.

It seems to me that we have to raise a couple of basic questions. There are a number of questions that we will raise in the clause by clause as they are necessary, but the church, from the Anglican church through the United church, Presbyterian church and Catholic church, have all made comments about the legitimacy of simple funeral services, and I need not get into that today. I suppose what I want to ask in a philosophic way in a matter of principle—and we don't come to grips with that in this debate; certainly the parliamentary assistant didn't in his opening remarks, nor did the apologist for the funeral industry of the Liberal Party—is why no person except the funeral director should be allowed to engage in the activity of disposing of a human body? That's what we're discussing when we're discussing matters of principle. Why is it? Surely the public interests that need to be protected are only threefold.

Mr. Gaunt: You could look after your own. You don't need a funeral director to do that.

Mr. Wildman: We're not talking about beef.

Mr. Ruston: How about allowing anyone to teach?

Mr. Foulds: Are you going to speak on the bill? I'll be glad to listen when you do.

Mr. Deputy Speaker: Order, please. Will the hon. member for Port Arthur direct his remarks to the Chair?

Mr. Foulds: Not only to the Chair, Mr. Speaker, but to yourself as well in the chair.

Mr. Deputy Speaker: They are one and the same by the way.

Mr. Foulds: If I might divert for a moment, I thought you were far more animated than the Chair.

There are only three basic principles. Surely health must be protected; surely safety of the community and surely dignity of the person who has died and the family must be protected. I see no philosophic reason and, in fact, no pragmatic reason, why only a funeral director can deal with those three things of public interest that must be protected. As long as that happens, I see no reason why a person who is knowledgeable, such as a person who may be a member of a memorial society or in remote northern Ontario communities where there are no funeral directors—

Mr. Wiseman: Have you read the bill? It's in there.

Mr. Foulds: I'd be glad to cede to the parliamentary assistant to correct me on a point of principle here, Mr. Speaker.

Mr. Deputy Speaker: You can't do that. On second reading, once you've finished speaking, you've finished speaking.

Mr. Foulds: All right.

Mr. Wiseman: Read the bill.

Mr. Foulds: As I read the bill, section 5(1) says "no person shall engage in or hold himself out as engaging in providing or directing the providing of funeral services or funeral supplies or both to the public unless he is licensed as a funeral director under this Act."

Mr. Wiseman: Subsection 4(c)?

Mr. Foulds: Section 5(4)(c)—do not apply "in a sparsely settled area where a funeral director is not available." Well, hot dog! Good for you! But still—

Mr. Wiseman: What about Toronto?

Mr. McClellan: I told you you hadn't read it.

Mr. Ruston: You should have read the bill first.

Mr. Foulds: That is one of the things that's involved in this whole debate—

Mr. Good: Promoting a special interest group—that is all you are doing.

Mr. Foulds: The bill was presented last week; you get it up for second reading this week, unless we speak at considerable length. We have people trying to read the bill and leading the public mind on it, so we get into this bind. I think it is one that we should take note of.

I frankly don't mind embarrassing myself, if I accomplish the aim of getting going a legitimate informed debate following me, Mr. Speaker.

Mr. Ziemba: It is still a red herring. It doesn't apply to northern Ontario.

Mr. Foulds: It doesn't apply to Thunder Bay. How do we define in the Act a sparsely settled area? Those are questions that arise about the regulations. I hope the parliamentary assistant will have answers to those very real concerns.

I've been urged by my colleagues not to stop, so I will delve into some more material.

No, in conclusion, I think sufficient concerns have been raised about the principles in the bill, about the makeup of the board, about the legitimacy of the complaint procedure—legitimate concerns that may be answerable—that we should deal with before we pass this bill on second reading. I think that those concerns must be dealt with frontally. I think that they must satisfy all members of this House before we in this parliament are ready to agree to a second reading. Therefore, I would commend to you and to the other members of the House, the hoist motion that was proposed by the member for Durham East and seconded by myself.

Mr. B. Newman: I wanted to make a few comments concerning this bill, primarily because all of the seven funeral homes in the city of Windsor are actually in my own riding. I've had the opportunity of visiting each one of them over the weekend and getting some of the thoughts and concerns of some of the funeral directors who did look at the legislation and as a result expressed their concern to me.

All seven in the community, I would say, are of extremely high calibre. You've got a place such as Janisse Brothers, that have been in the business for generations. One certainly couldn't criticize them by any stretch of the imagination for the type of service they have performed in the past. You've got Marcotte's, another family that has been in this type of service for years and years—

Mr. Ferrier: Bernie, which one do you recommend?

Mr. B. Newman: You have the Windsor Funeral Home. That one is now located on a playground that I had developed in my earlier days when I was coaching the fine sport of gymnastics for both boys and girls. As a result—

Mr. Germa: They are burying their mistakes.

Mr. B. Newman: —of the many hours of practice we have spent in the area the funeral home people thought it was a nice place to put up the service that is there today—the Windsor Funeral Home. You have Kelly's, a long-established business, you have Morris's, and you have Sutton's—

Mr. Foulds: Does that tell you something about the riding?

Mr. B. Newman: So you can see, Mr. Speaker, I've named seven, and all seven are in the great riding of Windsor-Walkerville. Oh, I forgot Anderson's—one of the other long-established and probably the largest of the lot.

Mr. Foulds: You won't get a donation from them.

Mr. Germa: Are you looking for donations?

Mr. B. Newman: And they're ready to take any one of you fellows, even now—

Mr. Speaker: Order please.

Mr. B. Newman: —and they will give you the type of service you ask for.

[5:15]

Mr. Riddell: They are the last people to let you down.

Mr. B. Newman: Mr. Speaker, several of the funeral directors in the community were concerned and as a result, from what I understand, sent a telegram to the minister or to the member who is going to pilot the bill, asking for consideration. They were essentially concerned with section 5 of the bill and how it applies to them in relation to not having a licensed individual who could also

be the owner of the establishment, answering the telephone and making arrangements for services.

For example, they could get a call about someone from the city of Windsor who had passed away during a vacation period, say, in Florida, Arizona, or California. Naturally, very few funeral homes could have or would have someone on duty at the home for 24 hours a day. Most of them in the city of Windsor do have someone on duty but the person on duty is not necessarily licensed.

They are concerned about section 5 of the bill, subsection 1, which says, "No person shall engage in or hold himself out as engaging in providing or directing the providing of funeral services or funeral supplies or both to the public unless he is licensed as a funeral director under this Act." The owner of the establishment or one of the employees who is there in the late hours of the evening could get a call from Florida but could not make any arrangements. They're afraid that individual could not make any arrangements for funeral services for the individual who has telephoned long distance.

If I am incorrect they would like the parliamentary assistant to reply to it and put their minds at ease so they would know they could carry on in exactly the same fashion as they are now. They are very much disturbed that they are being limited by the subsection I read and that they might be put out of business and would have to sell to an individual who does maintain a funeral director's licence. As I said earlier, the individual could be actually the owner of the establishment who lives in the home or in the place where his business is conducted and is there for answering the telephone at odd hours.

I do understand that there were some arrangements made that this bill was not going to be proceeded with at this time. Is that correct? I shouldn't say at this time. It will proceed to this extent but will not come back for clause-by-clause study or third reading until some time later, maybe later on next week. Is that correct? In other words, does the government intend to proceed with the bill as it is now? It will go through the committee stage and third reading before we adjourn?

One of the homes which happens to have a branch office in a smaller community expressed the concern that it would have to increase its charges for its services if it had to hire an additional individual who is a licensed individual so it could have service around the clock in the smaller community.

It mentioned that if it had to put on that type of additional staff it could mean a substantial increase in the cost of services. It would prefer to provide services at a minimal charge in keeping with the high quality and fine services it has been providing in its main establishment in the bigger city, the city of Windsor.

One of the directors in the community actually had a lawyer look into section 5, subsection 1 and from what I understand the lawyer commented that if the bill went through as it is the director, not being a licensed funeral director, would not be able to operate and would be subject to the disciplines envisaged in the discipline section of the Act.

It being the concern of those who have had an opportunity to look into the bill and who've asked me to convey their concerns about the bill to the Legislature at second reading of the bill.

Mr. Bounsall: In rising to speak on this bill, I will say initially that I certainly support the hoist motion introduced by our member for Durham East that we not proceed with this bill for some months so that everyone in the Legislature, in considering The Funeral Services Act, 1976, that's been proposed, may have time to become thoroughly informed upon all the matters pertaining to and affecting the funeral services situation in the province of Ontario.

That would give us time to read the very excellent proposals for legislative reform aiding the consumer of funeral industry products and services that was prepared by William Neilson and Gaylord Watkins in 1973, a study commissioned jointly by the Memorial Society Association of Canada and the Continental Association of Funeral Memorial Societies. They have many legislative suggestions in that document. It's a proposal for legislative reform and it documents all of the different kinds of services and legislation available throughout North America. It would provide time for us as legislators to have a thorugh understanding of what goes on in other jurisdictions.

I was a little bit surprised, therefore, to find this bill coming forward at this time and being dealt with so quickly in this period. I would certainly hope the member piloting the bill through for the government, the parliamentary assistant, would recommend the delay of the passage of this legislation. With respect to the legislation I might say that what we need, in my opinion, in the province of Ontario is a consumer protection Act relating to the funeral service industry, not this Funeral Services Act which follows the rough outlines of the other Health Disciplines Act

as if the funeral directors in the province were somewhat like a profession, such as nurses, pharmacists, doctors, dentists and so on. Because it's brought through the Ministry of Health we have a bill that is very similar to The Health Disciplines Act as if there was some connection.

This bill rather should be a consumer protection bill and be handled by the Ministry of Consumer and Commercial Relations so that the emphasis in the bill is one in which consumers are protected and not one in which, as I read the bill, is basically one which protects the funeral directors in Ontario. The makeup of the board, for example, with five funeral directors and two persons who are not, in which the objects of the board are that the public interest may be served and protected, is not in contact or in touch with reality at all.

It is a complete anomaly to me, when the object is to protect the public and to serve the public to have funeral directors who are in the business of providing a service for which they are making money, and it's quite legitimate as businessmen for them to make money in this area—I have no objection to that—as a majority on a board which is to operate in the public interest so that the public will be served and protected.

The least one needs on a board which is supposedly serving the interests of the public and to protect the public, is a majority of people who are not funeral directors, not those people whose object in life is to be in the business of making money from this particular service. Their interests will be, as I see it, more concerned with the best type of operation, no doubt, an operation of which one of the main concerns is to be in business and perform that business in a manner which will maximize profit.

It is a legitimate business to be in, but for them to be the majority on a board presumably to protect the public interest is simply not realistic at all. Any bill regulating the funeral directors should include on that board a majority of consumers, representatives from memorial societies, other consumer associations and perhaps a representative from the medical profession, as well as a couple of funeral directors. It's reasonable to have a couple there, rather than a majority.

I have some concerns about other sections of the Act, particularly section 5 which stipulates that no person shall engage in the provision of funeral services and supplies unless he is a licensed funeral director. I find that prohibition as it affects supplies quite limiting. In Ontario there is at least one memorial society that does provide some funeral supplies and I cannot see why this should be the sole jurisdiction of a licensed funeral director. I gather that things like funeral pouches for burial have been supplied by memorial societies and I cannot see why that right should be taken away.

And, for example, if a licensed funeral director now wishes to supply to the memorial society—and there are instances in Ontario where presently licensed funeral directors are in fact talking to and very helpful to some of the memorial societies—why should not that funeral director be able to tender that advice and in fact supply supplies to that memorial society, which they in turn supply to those people who are their members or who come to them for advice? I cannot see why this section 5 should be in any way prohibitive of that kind of situation which has arisen or why it would prevent a consumer information group, such as a memorial society, from supplying various funeral supplies, which this section most certainly does.

I would say the word "supplies" could be easily deleted from here. Let those supplies be readily available from whatever source and not simply through the aegis of a licensed funeral director.

Certain societies have had great difficulties with funeral directors in their communities in the provision of services. We heard the member for Fort William indicate some of the difficulties which have arisen in his community and the depth of feeling of people from his community in this regard.

I understand that the members of the memorial societies down in Kingston have people coming to them indicating that certain services will not be supplied by the funeral directors in their area. The memorial societies have contacted those funeral directors to provide those services; the answer is no. For those people in the Kingston district interested in obtaining those particular services, they have to go outside their community as far as Belleville in order to obtain them.

[5:30]

So the collective attitude of some licensed funeral directors in certain of our communities in Ontario is such that they are at least not providing a particular service and, when that is brought to their attention, not willing to respond to a group of people representing those other persons wanting that service, and for those particular services they must go outside their community. This speaks directly to the point of professionalism in the licensed funeral directors being asked to provide a service and a refusal which gives

rise to the need for good, tough, effective consumer legislation on behalf of those people who find themselves in the position of providing for and helping to provide people with that service at the time of the need.

The other major point as to why the legislation should be framed in terms of consumer protection legislation is the problem of high costs. Funerals are a large and a significant consumer expenditure which virtually everyone in the province gets involved with once or twice in their lifetime, with a member of their family passing away. It's a time of great emotional stress. In no other transaction do consumers find themselves at such a great disadvantage. They are under great emotional stress; in many cases it is something which they have had no time or opportunity to prepare themselves for and they feel under some pressure to dispose of the body in a fairly respectable way within a fairly short period of time.

In no other product or service at any time is anyone in Ontario in that situation. If one is going to buy a car or if one is going to purchase the services of a piano teacher for one's children and so on, there is time in which to consider what kind of car and whether or not one finally wants that service and so on; this is true in virtually all the other services provided. Here is one which comes upon the consumers in Ontario surprisingly—in many cases quite surprisingly—and because of the involvement with a person who has died, at a time of great emotional stress. It is in that context which they then have to carry out their transactions, and in many cases they are not fully informed as to what the requirements are in Ontario with respect to what must be provided.

I think my two major concerns have been covered: The makeup of the board, which should be a consumer protection board rather than one dominated by the industry; and the cost of funerals. I think the legislation dealing with funeral services in Ontario should make very explicit the right to self-disposition of one's body after death—the right of people in Ontario to be able to dispose of a body themselves—rather than going through a funeral director, but with due and proper regard to what is required through the Ministry of Health regulations. That should be clear to the consumers of Ontario and that right should be clearly set out in legislation in Ontario.

There are various other things about the Act that one would say are improvements. I think any Act in the funeral services area should prohibit embalming without permission from the family of the deceased unless the deceased has already clearly spelled out beforehand his wishes that he wants to be embalmed. If those wishes are not spelled out, then there should be a prohibition against automatic embalming unless the permission of the family has been obtained.

Also this Act should make it a duty for funeral directors to inform the users of their services that embalming is not required in the province of Ontario. I've had various examples given to me in which, if not openly stated, it is certainly implied that the province of Ontario requires the body to be embalmed. In any Act worth the paper it's written on, there should be a duty on funeral directors to inform all users of their services that embalming is not required in the province of Ontario.

Also an Act of this sort should permit and require that funeral homes advertise their prices so that those involved in the selection of the services required at the given time will be able to compare prices among funeral homes.

Finally, I think any Act relating to funeral services in Ontario should very carefully and clearly stipulate that funeral arrangements made by persons ahead of time are legally binding and cannot be changed by members of the family or by anyone else at the time of that person's death, when all arrangements have been made beforehand by the person who is deceased.

In addition, a Funeral Services Act, which should be aimed at protecting consumers in Ontario, should require each funeral home or each funeral director through the various homes he might run, to have a minimum cost casket available and a minimum cost cremation box. People who want to be simply, quickly and easily disposed of can be placed in an inexpensive box—heavy cardboard for example, is quite sufficient—and they can be cremated without any fuss.

This kind of service is available through some funeral directors in Ontario but, as far as I can determine, not that many and the fact they have them is certainly not made very open to the public. An Act in Ontario requiring them to indicate the cost and to carry this sort of minimum cost casket or minimum cost cremation box would be very useful to all consumers in the province of Ontario. We recommend that we have that in legislation.

The only problem is this bill does not approach this whole subject from the consumer's point of view and simply sets up the

regulation of funeral directors as if they were a profession. One really cannot, as far as I can see, amend very easily this bill to have within it the flavour which reflects the concerns read out by the member for Fort William and the concerns I have mentioned which should be in the legislation to give valid protection to consumers.

In closing—I don't wish to speak at length on this bill—I would think that the consumers of Ontario and the various memorial societies engaged in helping people plan their funerals, by providing information on rates and what services are available at what costs, should have a much longer time to look at this legislation, to become thoroughly conversant with it. They should have time to present to all members of the Legislature their detailed views, as consumer protection groups, on the type of legislation which should come before us.

In that respect, I agree with the hoist motion as presented by the member for Durham East and I would hope that the parliamentary assistant would take that fully into account. If that hoist motion was not on the floor, I would have to say that I would be opposed to this bill because it is not what is needed in the province of Ontario. What we need here is a consumer protection Act relating to the practices of the funeral service industry, not this type of bill which we have before us which makes them a regulating profession, regulated by boards and committees which have on them a majority of funeral directors.

Mr. Germa: I would like to offer a few comments on this bill. I think the title, The Funeral Services Act, 1976, should be changed to reflect what the bill really does. I would propose that it should be entitled The Funeral Directors Protective Society Act. It doesn't speak to the problems of burying people in the province of Ontario.

The very fact and the evidence that there is a problem is the flourishing of memorial societies across the province. We know that they started in the far western United States and crept up to British Columbia and are now sweeping east across Canada. There is a great disgruntlement in the populace as it relates mainly to the cost of providing this very necessary service. I know we cannot legislate the attitudes of funeral directors but I think that there should be encompassed in legislation a protective feature. In no place in this legislation is there any protection for the consumer. The protection is only for the benefit of the funeral director and those people concerned with making money out of the job of disposing of dead people.

I would like to look just at a couple of points. There is provision in the bill for a person to complain. I would ask the members of the House to take a look at where someone starts in the bill to file a complaint. He starts on page 7 and flogs his way through all the various routes he must take in order to bring the complaint to a conclusion and arrives at the end, 11 pages later. On page 18, he has come to the end of the procedure as far as his complaint is concerned. Eighteen pages of legislation in my mind could be at least 18 months of hell in the offices of the registrar. This self-perpetuating, self-licensing, self-protective society has other people to learn from. They will learn from the legal profession and the medical profession. Anyone who has tried to lodge a complaint with the legal society knows how frustrating that is.

I can see that by the time a person gets to page 18 in this bill, he's going to say: "To hell with the complaint. I have forgotten what the complaint is by now because it is so long since I lodged the original complaint." Even when one gets to page 18 in the legislation, then it can go to the Supreme Court as well. Where is the culmination of the complaint, this innocent complaint that one launched 18 months previously? The whole thing just won't work.

It's protective legislation, but all of this doesn't apply unless one is in southern Ontario. In sparsely settled areas of the province, all of this protection doesn't apply. One can do as one wills in a sparsely settled area of the province.

The bill tells me that the legislation is really not in place other than to protect the funeral directors because it absolves anybody of responsibility in a sparsely settled area of the province. It just doesn't function in that kind of an area. If it is important in this part of the province, then it is important in the sparsely settled areas, but the bill tells me it is not. It's hard for me to take the bill seriously when a large section of the province can be written off in that fashion.

[5:45]

There is one particular section, Mr. Speaker, which is particularly offensive, and which is repeated from the legislation which is being repealed. That is section 36(2)(d). This was a vicious amendment to the Act to put the co-op funeral homes out of business. This section of the Act says that a corporation which is engaged in this business must have on the board of directors a licensed embalmer.

My city, the city of Sudbury, got in just under the wire to that amendment. The city of Sudbury has the last co-operative funeral home which was licensed in the province of Ontario.

Tell me who put this government up to wiping out the co-op movement as far as funeral homes are concerned in the province of Ontario—and that section is repeated in this particular bill. If that section alone could be removed from the bill then that would give some competition to the system that is presently in place right now, the co-op funeral home concept. But no, that section is continued in this particular bill, and we will never have another co-op funeral home in the province of Ontario, because it is inconceivable to believe that a licensed embalmer would ever join a co-op and become a member of the board of directors. He would rather go into private business himself and reap the benefits—

Mr. Shore: Do you hear that?

Mr. Nixon: How about do-it-yourself?

Mr. Germa: —from driving people around in Cadillacs and selling them flowers. I can go even farther than my colleagues who proposed the hoist motion. I have no difficulty whatsoever in voting against this bill tonight—

Mr. Ruston: Get those books straightened out yet?

Mr. Germa: —and unless it is amended substantially to remove section 36(2)(d) I would be pleased to vote against it four months hence.

Mr. Ferrier: I want to make a few comments on this bill. Probably I have had as much experience as any one in this House—with the exception of the member for Waterloo North, and possibly Yorkview—with undertakers and families in the grief situation, and the whole matter of dealing with grief situations.

I must say that there is a wide variety of practices in this country as far as funerals are concerned. I have conducted a funeral where a man was buried in a rough box with just excelsior in that box, and I have conducted funerals where people have been in steel caskets and oak caskets and they have been very elaborate. I suppose the final outcome of that—

Mr. Nixon: Can you get them all into heaven?

Mr. Ferrier: I was just getting to that. The final outcome of that person's destiny may have been just as well prepared in the one in the very simple funeral as the one in the rather elaborate funeral.

I don't think there is any doubt about it that funerals have gotten away out of hand and people have at one point come to expect far too elaborate procedures. I think that the glorification almost of the dead body is to some extent a pagan intrusion upon our culture. I think that trend must be resisted very strongly and I know that it is within the church community.

The church community has for some time been advocating a more simple type of funeral and the spending of less money on the funeral service and the accompaniments around the particular service. A number of the churches have had the practice of using a pall should a person come into the church, so that no matter what type of casket they have the person is the same as far as the service in the church is concerned.

I have always felt that a good deal too much money is spent on flowers. It's rather a waste of money and the money people want to give in memory of a person could more usefully be given to some of the societies, such as the Cancer Society or the Heart Fund or the various memorials in our community and in the churches.

I think the bill probably has too much emphasis on protecting the funeral directors per se. I think it would be better to have a balanced board without a preponderance in favour of the funeral directors. I don't take the cynical view that some do about funeral directors. I know there are some who are hard-hearted businessmen, I suppose, and are trying to get as much as they possibly can. The experience I've had with a number of funeral directors is that they are rather sensitive and concerned people who don't use high pressure on people who come to them and who are rather helpful at a time when people are very vulnerable and are very much in need of some assistance.

In saying that, I know some say that when the people are vulnerable the funeral director will say, "You must have the very best for So-and-so." The funeral directors I have known personally have not been that kind. They have had a wide variety of caskets and funerals and, to my knowledge, have not been the kind to use high pressure on these people. I know in one community I am aware of there was one funeral home which did not have a very low cost funeral; the lowest cost was quite high. Another funeral home came to that community and provided the lower cost funeral; the other home changed its

ways so in that respect competition had its benefits.

I think, as I say, it would be better to have a stronger non-funeral director presence on that board. There should be guarantees for people who wish to have a very simple funeral and disposition of their body. This should be enshrined, in a sense, in legislation for those people in our society who want this kind of service. It should be guaranteed to them and there shouldn't be the difficulties mentioned in Kingston or perhaps Thunder Bay or other communities.

I think that because there is this dissatisfaction and uncertainty about those matters it would be advisable for this bill to be stood down and further consideration given to it. The memorial societies would have a better chance to study the bill and put forward their point of view, and we could provide greater protection for those people who feel this way so their kind of funeral or their kind of disposition of their body could be provided for.

Society, I suppose, must have some guarantees, if a person is going to have almost anyone perform this kind of service, that there was no foul play involved in a death, I mean some guarantees or safeguards are necessary in a murder situation, that society would be protected in that way.

In the churches there is certainly a strong movement afoot that we have simpler funeral practices and that the emphasis on the body per se should not have got to the stage that it has got to. We must remember that the body itself is no longer the instrument of the life of the person, as far as the church is concerned; the person has left the physical body and has gone to possess a spiritual body in another realm. While we respect the dead body, yet it is not to be glorified as seems to have been done in our culture to too great a significance.

Because there is significant dissatisfaction among those people who desire a simpler funeral and who feel their rights are not being protected and guaranteed, and since this bill has not had a very long time on the order paper, I feel our party's position is a responsible one and we would like to see it delayed.

Mr. Speaker: Do other hon. members wish to speak to this bill before the parliamentary assistant responds? Well, because of the lateness of the hour, we will recognize the clock.

The House recessed at 5:57 p.m.

APPENDIX A

(See page 5442.)

Answers to written questions were tabled as follows:

176. Mr. Philip—Inquiry of the ministry: Would the Minister of Treasury, Economics and Intergovernmental Affairs advise the House whether or not he is concerned by the findings of a survey reported in the Globe and Mail, November 17, 1976, which states that the attitude of incumbent members of councils, school boards and public utilities toward disclosing their assets and campaign donors to municipal clerks "ranged from reluctant agreement to belligerent refusal"? Would the minister comment on a statement by Mayor Dennis Flynn reported in the same article, "There was no law that required disclosure of campaign expenses" and donors and that, "he will file a statement when the Ontario government says municipal candidates must do so"? Is the minister prepared to introduce legislation before the next municipal election requiring disclosure by candidates of campaign donors and/or assets?

Answer by the Treasurer (Mr. McKeough):

There is no requirement under present legislation for the disclosure of campaign donations and assets of candidates in municipal elections. Candidates in the present municipal elections are entitled, therefore, to express their own opinions about voluntarily disclosing their donations and assets. There may be some merit in being concerned with disclosing campaign donations in municipal elections, particularly now that guidelines exist at the provincial level. This is an issue that we will be discussing with the Municipal Liaison Committee during our review of The Municipal Elections Act. I would want to receive the comments of the municipalities and municipal associations for such a general requirement before considering an amendment to the Act.

171. Mr. Godfrey: Inquiry of the ministry: Does the Ministry of the Environment plan, in the immediate future, to prevent the utilization of chlorofluorocarbons in aerosol cans, the drastic curtailment of non-essential use having been recommended by the National Research Council? Does the ministry plan to phase out the use of halocarbons in refrigerating units?

Answer by the Minister of the Environment (Mr. Kerr):

The Ministry of the Environment, at present, does not have plans for an immediate ban on chlorofluorocarbons in aerosol cans and other non-essential applications. The air resources branch of the ministry is monitoring all developments in this field and if results of further research will indicate a significant threat to human health, the Ontario government is prepared to restrict all non-essential uses of chlorofluorocarbon compounds in Ontario. Restriction of the use of halocarbons in refrigerating units is not being considered since many other refrigerants are highly toxic—for example, ammonia.

The problem of ozone depletion is of global nature and has to be dealt with on an international scale to achieve satisfactory results. Hon. George A. Kerr has urged Hon. Romeo LeBlanc, Environment Canada, to take the initiative in dealing with this matter since halocarbon compounds are used nationwide in Canada.

158. Mr. Philip: Inquiry of the ministry: Would the Minister of Culture and Recreation advise how many complaints his ministry has received about soccer balls supplied to clubs under the Wintario programme? What has the average cost per ball been? What companies were these balls purchased from? Is there any truth in the statement that many of the balls supplied to soccer clubs have not been of regulation size?

Answer by the Minister of Culture and Recreation (Mr. Welch):

The ministry has received a number of complaints regarding the soccer balls supplied to clubs under the Wintario programme. These complaints were primarily based on the recipients' presumption that due to the trade name of the equipment they were going to receive a high-quality game ball, when the criteria were to assist clubs in supplying practice-ball quality. These complaints were satisfied by this explanation.

Three or four complaints were received regarding poor quality, damaged equipment and these complaints were satisfied by the replacement of the equipment by the supplier. The supplier of soccer balls was Sports Equipment of Toronto Limited. The average price was $8 and $7 on sizes 5 and 4. The ministry has not received a complaint from any of the recipients that the balls were not of regulation size.

157. Mr. Philip: Inquiry of the ministry: Would the Minister of Culture and Recreation advise how much has been spent to date under the Wintario programme on sports and recreation equipment? Would he provide a list of the equipment purchased and the average cost of each different item? Would he list the manufacturers and/or distributors from whom the equipment was purchased and also indicate the manner in which contracts for the equipment were awarded?

Answer by the Minister of Culture and Recreation:

During the period from April 1, 1975, to November 1976 the Wintario Direct Equipment Programme has purchased $534,707 worth of sports and recreational equipment.

Attached is a list of all the types of equipment, the average cost, the suppliers and the method of purchase.

The majority of the items are purchased under standing agreements established by the Ministry of Community and Social Services which called tenders based on its anticipated needs along with those of Health, Education, and Culture and Recreation.

Equipment which is not covered by a standing agreement is purchased competitively on the basis of advice from the appropriate sports governing bodies and the consultants in the sports and fitness division.

Equipment	Cost	Supplier	Remarks
Archery target supports	24.00 ea.	Sports Equipment of Toronto	Lowest price
Archery grass target pads	55.00 ea.	Sports Equipment of Toronto	Lowest price
Badminton nets	10.53 ea.	Jelinek Sports Ltd.	Lowest price
Badminton standards	235.00 ea.	Sports Equipment of Toronto	Lowest price
Badminton shuttlecocks	1.30/3	Jelinek Sports Ltd.	Standing agreement—SA-1038B
Badminton rackets—wooden	5.00 ea.	Jack Watson Sports Inc.	Standing agreement—SA-1038
	10.53 ea.	Jelinek Sports	Best available price and quality
Badminton rackets—steel	4.00 ea.	Sports Equipment of Toronto	Standing agreement—SA-1038A
	5.27 ea.	Jelinek Sports	Best available price and quality
Baseball bats—junior	2.34 ea.	Cooper Canada	Standing agreement—SA-1041
	2.28 ea.	Winnwell Ltd.	Equipment availability
large	3.45 ea.	Cooper Canada	Standing agreement—SA-1041
	2.81 ea.	Winnwell Ltd.	Equipment availability
Baseballs	31.24 doz.	Cooper Canada	Standing agreement—SA-1041
	33.80 doz.	Winnwell Ltd.	Equipment availability
Baseball bases	16.30 ea.	Cooper Canada	Standing agreement—SA-1041
	16.40 ea.	Winnwell Ltd.	Equipment availability
	17.95 ea.	Sports Equipment of Toronto	Equipment availability
Home plate	8.99 ea.	Cooper Canada	Standing agreement—SA-1041
	20.95 ea.	Sports Equipment of Toronto	Equipment availability
Pitcher's plate	12.58 ea.	Cooper Canada	Standing agreement—SA-1041
	11.25 ea.	Sports Equipment of Toronto	Equipment availability

Equipment	Cost	Supplier	Remarks
Body protectors—			
junior	6.52 ea.	Cooper Canada	Standing agreement—SA-1041
	7.65 ea.	Winnwell Ltd.	Equipment availability
intermediate	7.59 ea.	Cooper Canada	Standing agreement—SA-1041
	8.20 ea.	Winnwell Ltd.	Equipment availability
senior	8.30 ea.	Cooper Canada	Standing agreement—SA-1041
	8.80 ea.	Winnwell Ltd.	Equipment availability
	8.66 ea.	Cooper Canada	Standing agreement—SA-1041
	9.55 ea.	Winnwell Ltd.	Equipment availability
Catcher's leg guards—			
junior	5.45 ea.	Cooper Canada	Standing agreement—SA-1041
	6.55 ea.	Winnwell Ltd.	Equipment availability
intermediate	6.52 ea.	Cooper Canada	Standing agreement—SA-1041
	7.40 ea.	Winnwell Ltd.	Equipment availability
senior	7.59 ea.	Cooper Canada	Standing agreement—SA-1041
	8.20 ea.	Winnwell Ltd.	Equipment availability
Catcher's mitt—			
junior	11.27 ea.	Cooper Canada	Standing agreement—SA-1041
	13.20 ea.	Winnwell Ltd.	Equipment availability
senior	12.38 ea.	Cooper Canada	Standing agreement—SA-1041
	15.80 ea.	Winnwell Ltd.	Equipment availability
Batter's caps	5.80 ea.	Cooper Canada	Standing agreement—SA-1041
	4.50 ea.	Winnwell Ltd.	Equipment availability
Catcher's masks	4.53 ea.	Cooper Canada	Standing agreement—SA-1041
	7.15 ea.	Winnwell Ltd.	Equipment availability
Basketballs	27.00 ea.	Sports Equipment of Toronto	Lowest price on acceptable equipment
Basketball nets	4.50 pr.	Sports Equipment of Toronto	Lowest price on acceptable equipment
Boxing fast bag	28.85 ea.	Jack Watson Sports Inc.	Standing agreement—SA-1036
Laceless training gloves—			
16 oz. (set of 4)	81.75	Jack Watson Sports Inc.	Standing agreement—SA-1036
14 oz. (set of 4)	78.40	Jack Watson Sports Inc.	Standing agreement—SA-1036
12 oz. (set of 4)	75.05	Jack Watson Sports Inc.	Standing agreement—SA-1036
Fighting gloves—			
10 oz. (set of 4)	70.90	Jack Watson Sports Inc.	Standing agreement—SA-1036
12 oz. (set of 4)	75.05	Jack Watson Sports Inc.	Standing agreement—SA-1036

Equipment	Cost	Supplier	Remarks
Striking bag	28.85 ea.	Jack Watson Sports Inc.	Standing agreement—SA-1036
Striking bag gloves	16.70 pr.	Jack Watson Sports Inc.	Standing agreement—SA-1036
Boxing headgear	32.00 ea.	Jack Watson Sports Inc.	Standing agreement—SA-1036
Skipping rope	6.25 ea.	Jack Watson Sports Inc.	Standing agreement—SA-1036
Training bag	49.35 ea.	Jack Watson Sports Inc.	Standing agreement—SA-1036
Striking bag swivel	5.20 ea.	Jack Watson Sports Inc.	Standing agreement—SA-1036
Canoe racing paddles	9.75 ea.	York River Industries	Competitive quotation
Cricket balls	154.00 doz.	Wallis Bros.-Dorcas Sports	Sole agent
Cricket mats 57' x 8'	206.00 ea.	Wallis Bros.-Dorcas Sports	Sole agent
Cricket bats	36.25 ea.	Wallis Bros.-Dorcas Sports	Sole agent
Field hockey sticks	3.25 ea.	Sports Equipment of Toronto	Competitive quotation
Field hockey nets	86.08 pr.	Jack Watson Sports Inc.	Competitive quotation
Field hockey balls	2.17 ea.	Jack Watson Sports Inc.	Competitive quotation
Football helmets—			
junior	27.90 ea.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
intermediate	27.90 ea.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
senior	41.00 ea.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
Shoulder pads—			
junior	12.00 pr. 12.75 pr.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
intermediate	15.25 pr. 17.90 pr.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
senior	27.75 pr.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
other	32.00 pr.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
Kidney pads—junior	3.00 pr. 5.95 pr.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
Football arm blockers	15.90 ea.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
Footballs—			
Bomb	28.00 ea.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
Jr. Bomb	12.85 ea.	Jack Watson Sports Inc.	Equipment availability
	13.90 ea.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
J5V	26.00 ea.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
J5J	16.75 ea.	Paul Wilson Sporting Goods Ltd.	Tender No. 5009
J4V	15.50 ea.	Sports Equipment of Toronto	Standing agreement—SA-1039

Equipment	Cost	Supplier	Remarks
Hockey goalie equipment—			
junior	76.01 set	Cooper Canada	Standing agreement—SA-1045
intermediate	101.23 set	Cooper Canada	Standing agreement—SA-1045
senior	121.41 set	Cooper Canada	Standing agreement—SA-1045
other XL sr.	132.09 set	Cooper Canada	Standing agreement—SA-1045
Hockey helmets—			
junior	16.95 ea.	Cooper Canada	Standing agreement—SA-1045
intermediate	16.95 ea.	Cooper Canada	Standing agreement—SA-1045
senior	16.95 ea.	Cooper Canada	Standing agreement—SA-1045
Hockey sticks—			
junior	24.30 doz.	CCM Company	Standing agreement—SA-1044
senior	34.45 doz.	CCM Company	Standing agreement—SA-1044
Hockey goal sticks—			
junior	66.83 doz.	CCM Company	Standing agreement—SA-1044
senior	87.10 doz.	CCM Company	Standing agreement—SA-1044
Hockey pucks	23.43/C	Cooper Canada	Standing agreement—SA-1045
Hockey referee's leg guards	8.04 pr.	Archie McCoy (Hamilton) Ltd.	Telephone quotes as required
Hockey referee helmets	12.72 ea.	Archie McCoy (Hamilton) Ltd.	Telephone quotes as required
Dental guards	1.11 ea.	Sports Equipment of Toronto	Telephone quotes, equipment availability
Lacrosse sticks	99.69 doz.	CCM Company	Standing Contract—MCSS
	119.20 doz.	CCM Company	Standing Contract—MCSS
	173.89 doz.	CCM Company	Standing Contract—MCSS
Lacrosse sticks	89.51 doz.	CCM Company	Standing Contract—MCSS
	144.20 doz.	CCM Company	Standing Contract—MCSS
Lacrosse balls	9.04 doz.	CCM Company	Standing Contract—MCSS
Clipboards—			
boards	4.34 ea.	National Coaching Aids	Leading manufacturer
panels	27.00 ea.	National Coaching Aids	Leading manufacturer
Lawnbowling bowls (set of 10)	83.50	Margessons Ltd.	Sole agent
Gymnastic balls	N/A		

Equipment	Cost	Supplier	Remarks
Rhythm hoops	16.50 doz.	Sports Equipment of Toronto	Lowest price discount
Gymnastic ribbons	N/A		
Orienteering compasses	4.76 ea.	Silva Ltd.	Competitive quotation
Ringette sticks	6.52 doz.	CCM Company	Recommended by sports governing bodies
Ringette rings	.85 ea.	Sports Equipment of Toronto	Recommended by sports governing bodies
Rugby balls, leather—			
game quality	28.15 ea.	British Sporting Goods	Recommended by
practice quality	24.70 ea.	British Sporting Goods	Ontario Rugby Union
Air rifles	N/A		
Air pistols	N/A		
Soccer balls—			
size 4	7.00 ea.	Sports Equipment of Toronto	Standing agreement— SA-1039
size 5	8.00 ea.	Sports Equipment of Toronto	Standing agreement— SA-1039
Soccer nets	62.00 pr.	Sports Equipment of Toronto	Lowest price
Softballs	34.00 doz.	Spalding Canada	Requested by recipient
	34.08 doz.	Cooper Canada	Standing agreement— SA-1040
	34.00 doz.	Winnwell Ltd.	Equipment availability
Softball bats	7.59 to 9.20 ea.	Cooper Canada, Sports Equipment of Toronto, Winnwell Ltd.	Standing agreement— SA-1040 and other available sources
Catcher's mask	4.60 to 5.05 ea.	Cooper Canada, Winnwell Ltd., Sports Equipment of Toronto	Standing agreement— SA-1040 and other available sources
Home plate	8.99 ea.	Cooper Canada	Standing agreement— SA-1040
	20.95 ea.	Sports Equipment of Toronto	Lowest price
Bases	16.30 ea.	Cooper Canada	Standing agreement— SA-1040
	16.40 ea.	Winnwell Ltd.	Equipment availability
Trapper's mitt	10.11 to	Cooper Canada	Standing agreement— SA-1040
	14.55 ea.	Winnwell Ltd.	Equipment availability
Batter's caps	5.80 ea.	Cooper Canada	Standing agreement— SA-1040
	4.50 ea.	Winnwell Ltd.	Equipment availability
Pitcher's plate	12.58 ea.	Cooper Canada	Standing agreement— SA-1040
	11.25 ea.	Sports Equipment of Toronto	Equipment availability
Stop watches	35.65 ea.	Jack Watson Sports Inc.	Lowest price
Pacing clocks	222.00 ea.	Jack Watson Sports Inc.	Lowest price
Team handballs	12.55 doz.	Jack Watson Sports Inc.	Lowest price
Handball nets	54.50 pr.	Jack Watson Sports Inc.	Lowest price

Equipment	Cost	Supplier	Remarks
Track and Field—			
discus—indoor	7.00 ea.	Lockington Sports Ltd.	Standing agreement—SA-1035A
outdoor	2.57 ea.	Lockington Sports Ltd.	Standing agreement—SA-1035A
batons	8.40 set	Lockington Sports Ltd.	Standing agreement—SA-1035A
high jump standards	96.50 ea.	Lockington Sports Ltd.	Standing agreement—SA-1035A
hurdles	45.90 ea.	Lockington Sports Ltd.	Standing agreement—SA-1035A
crash mats	253.00 to 440.00 ea.	Sports Equipment of Toronto	Lowest price
distance measuring wheels	36.75 ea.	Sports Equipment of Toronto	Lowest price
shotput	5.75 to 7.60 ea.	Lockington Sports Ltd.	Standing agreement—SA-1035A
javelin	25.00 to 21.55 ea.	Lockington Sports Ltd.	Standing agreement—SA-1035A
cross bars	26.55 ea.	Lockington Sports Ltd.	Standing agreement—SA-1035A
Volleyball standards	250.00 pr.	Sports Equipment of Toronto	Lowest price on best available equipment
Volleyballs	9.00 ea.	Sports Equipment of Toronto	Standing agreement—SA-1039A
Volleyball nets	10.50 ea.	Lockington Sports Ltd.	Standing agreement—SA-1039C
Waterpolo balls	14.50 ea.	Jack Watson Sports Inc.	Lowest price
Waterpolo nets	50.50 ea.	Jack Watson Sports Inc.	Lowest price
Waterpolo hats	1.64 ea.	Jack Watson Sports Inc.	Lowest price

APPENDIX B

(See page 5450.)

Mr. Stokes, from the committee of supply, reported the following resolution which was concurred in by the House:

Resolved, That supply in the following supplementary amounts and to defray the expenses of the government ministries named, be granted to Her Majesty for the fiscal year ending March 31st, 1977:—

Ministry of Government Services:	
803. Upkeep of Accommodation Programme	$ 2,400,000
Ministry of Attorney General:	
1202. Administrative Services Programme	5,400,000
Ministry of Housing:	
2002. Community Planning Programme	1,500,000
Ministry of Natural Resources:	
2301. Ministry Administration Programme	250,000
2302. Land Management Programme	19,500,000
Ministry of Culture and Recreation:	
2806. Sports and Fitness Programme	6,178,000
Ministry of Health:	
3002. Institutional Health Services Programme	106,215,000
3003. Community Health Services Programme	10,820,000

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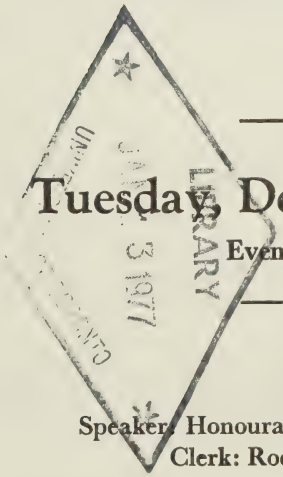


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Third Session of the 30th Parliament



Tuesday, December 7, 1976

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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A list of the speakers taking part in the debates in this issue of Hansard appears, in alphabetical order, at the back of this issue.

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LEGISLATURE OF ONTARIO

TUESDAY, DECEMBER 7, 1976

The House resumed at 8 p.m.

FUNERAL SERVICES ACT

(concluded)

Resumption of the adjourned debate on the amendment to the motion for second reading of Bill 171, The Funeral Services Act, 1976.

Mr. Grande: Mr. Speaker, first of all, I would like to thank the member for Lanark (Mr. Wiseman) who has so kindly given me this opportunity to get up and speak for about five or 10 minutes. It won't be any longer than that.

Hon. B. Stephenson: That will be a change.

Mr. Grande: I understand that when the House rose at 6 o'clock the member for Lanark was ready to get up on his feet, and so therefore I thank him very much. What I'm going to be saying is very short—I usually am very short and to the point, Madam Minister—

Hon. B. Stephenson: I wasn't talking about your height.

Mr. Deputy Speaker: I hope the Minister of Labour will not be provocative tonight.

Mr. Warner: Let her; let her.

Mr. Grande: Bill 171 was introduced in this House on November 26 and on December 8 here we are at second reading.

Mr. Worton: December 7.

Mr. Grande: I'm asking myself what kind of prior consultation there has been with the people and the groups affected out there in the province.

Mr. B. Newman: Five years.

Hon. B. Stephenson: Five years.

Mr. Grande: The members say five years. I am sure every member of this Legislature has received a telegram today. I understand 125 of these telegrams were sent. I received it. If the Minister of Labour doesn't have it I guess she'll receive it tomorrow or perhaps, if she checks her mail, later on tonight.

I would like to put this telegram on the record because I think it speaks for the kind of consultation which the people opposite there are saying has been going on for five years. Yet the telegram says, and I'm quoting: "40,000 members of Ontario memorial societies urge opposition to Bill 171, abolition of self-regulation of funeral industry and transfer of this consumer Act to Ministry of Consumer and Commercial Relations." It's signed, "Ontario memorial societies."

Forty thousand people across Ontario can't be all that wrong. Let us take a look at the two main points of this bill which the memorial societies across Ontario really object to strongly. But before I get into that, I want to say I received a couple of phone calls from one of my constituents—one yesterday and one today. The gentleman is 80 years of age. He calls me Tony—that's my name—and he said "My wife and I are both senior citizens and are retired—all we have is the money that we get through our pension and through our guaranteed annual income supplement. We've been saving that money but when my wife or myself are going to be passing away, all that saving is lost. What is she or what am I going to do after that?"

There was a tremendous amount of emotion associated with what this gentleman said to me. I asked him, "What are your objections about this legislation?" He said, "What this bill is doing is to give over a complete monopoly to the funeral directors." This bill says that five of the people on the committee are going to be funeral directors. The other two are going to be chosen by the Lieutenant Governor—at least they're going to be appointed. He said, "Where's the consumer in all of this? What kind of protection does the public get? Since when is a government passing legislation to completely turn over the whole industry to the self-interest of the funeral directors?"

It's amazing. And yet, he's right. In this particular legislation, there is no input from the consumer, there isn't one person who represents the public at large, so to speak, on

that particular board. That is one reason I and many of my constituents object to this legislation.

If this legislation passes the way it is presented by this government, it's going to be sounding the death knell to all the memorial societies in the province. That's exactly what it's going to do. As a matter of fact, this gentleman says the memorial societies could be treated like dirt. That's his own expression and I'll put it in quotation marks.

For the past several years we have seen headlines in the newspaper talking about the high cost of dying—and of the cost of funerals being completely out of reach of the average person. A funeral right now will probably cost between $1,200 and $1,500.

Mr. Good: Absolutely wrong. That's the kind of information you bring in here. Misinformation. That is all you thrive on.

Interjections.

Mr. Lupusella: For an injured worker they pay $600 for his funeral when he is going to die on the job. But the minister will never respond to that—$600 when an injured worker is dying on the job.

Mr. Shore: Come on, you have been using that too long.

Mr. Lupusella: You'd better read the Act then.

Mr. Conway: Marvin, have you priced your funeral? Your political funeral?

Mr. Grande: The members of the Liberal Party, the third party on that side of the House, are saying it does not cost $1,200 to $1,400 or $1,500.

Mr. Wiseman: He is a funeral director. He should know.

Mr. Grande: Of course, the cost depends on many different factors. It depends on what kind of casket you're going to be ordering, whether you're going to have a casket with all the ornamental irons on it, whether you're going to have a casket finished to the nth degree, as if it is needed for the funeral.

Mr. B. Newman: Who would know better?

Mr. Grande: Instead, what happens—

Mr. B. Newman: Who would know better, you or the man who's involved in the business?

Mr. Grande: That's exactly why I am opposing this legislation, because it gives control to the man who's involved.

Mr. Peterson: We can arrange some firsthand experience for you.

Mr. Spence: We can't get him to take any money at all.

Mr. Grande: As I was saying, there are different factors that increase the price of a funeral, the price of dying. But all these factors—the embalming, the beautiful casket, the ceremony that never ends for hours and hours—are not needed. People at large don't want all that luxury at a funeral.

Hon. B. Stephenson: This Act doesn't say they have to have it.

Mr. Grande: But what happens is that the funeral directors take advantage of the person at a very particular time of grief, at a very particular time when they are emotionally upset; take complete advantage of those people. They're saying, "That's how much it costs. We will provide everything. You don't have to do anything. You sit at home and come to the funeral home at a certain time when everything is ready." For anyone, that kind of price is really too high. But for the senior citizens, for whom I'm actually getting up here to speak tonight, that price is completely out of reach. And it will leave the mate in debt for years.

As I said. I'm not going to be standing on my feet and talking and getting the Minister of Labour upset.

Mr. Conway: She always does.

Mr. Lupusella: I'm not surprised.

Mr. Grande: Therefore, I really am going to end—

Mr. Conway: Go, go.

Mr. Grande: Thank you. I will, though, in spite of my friend's encouragement to go on.

Interjection.

Mr. Grande: I'll finish by saying that there's no way this legislation as it stands right now should be passed, because otherwise all the memorial societies across Ontario will become nothing, will die.

Mr. Deputy Speaker: Does any other member wish to participate in this debate? If not, the hon. member for Lanark.

Mr. Peterson: He is dead; he should finish.

Mr. Wiseman: Mr. Speaker, I listened with—

Mr. Deputy Speaker: Hopefully without interruption.

Mr. Wiseman: Mr. Speaker, I've listened with interest to some of the speakers across the House, particularly the NDP members who mentioned that this bill has been rushed through the House. I think it's been mentioned this afternoon by people who have read the bill and understood it, that this bill has been talked about for a good long time, for many years. When I went to Health a year ago, the draft bill was there; it hasn't changed all that much.

I understand that as late as November, the chairman of the board spoke about it at his annual meeting. There also have been regional meetings as well as delegations to see both the minister and others in our ministry to discuss it. So I find it hard to believe that there hasn't been some input from memorial societies and other people who are interested in the bill.

Mr. Grande: Twenty thousand members.

Mr. Wiseman: This afternoon we heard that the NDP are opposing the bill, mostly because of the composition of the board. We heard from the member for Waterloo North, who had done his homework and who had read and understands the bill; he went into the percentages of the other health disciplines and said that this board probably has one of the highest percentages of lay people we have.

Something that wasn't mentioned this afternoon is that we have what we call a Funeral Services Review Board, which will be made up of not less than three and not more than seven, all of whom will be lay people. The member for Sudbury (Mr. Germa), who isn't in his seat, was concerned that it might take a year and a half for somebody to process a complaint. The way that goes—to explain it a little for him—it goes to the registrar and is referred to the complaints committee; if the person who makes that complaint gets it in writing and he isn't satisfied with that, then he can ask that it be referred to the Funeral Services Review Board, the members of which are all lay people. They have the power to hear it if they want or refer it back to the complaints committee to have another look at it. They have the power to overrule the complaints committee. That person has a further appeal to the Supreme Court. I feel that we have looked after the public interest in this way.

[8:15]

As far as the memorial societies go, I would like to say that I understand, in checking with the funeral directors and with the registrar, that anyone can get one of these body disposals if he or she wants it. The cost of this is minimal. It's in the neighbourhood of $200 to $250, I understand. I'm sure, as has been mentioned here this afternoon, if there are areas which aren't following along this line and the people bring it to the registrar he will see to it that they can get it.

I would like to say, too, that one can get this body disposal at the same price without being a member of the memorial societies.

Mr. Good: There is the big ripoff—you pay your $20 bucks to belong to them and you get nothing for it. You can walk in off the street and get the same service at the same price.

Mr. Warner: Do you always apologize for him?

Mr. Peterson: Settle down. John Holtby is a part-time funeral director.

Mr. Wiseman: This bill will also provide in regulations that the funeral director must have a display of his funeral caskets and he must have them from the cheapest to the dearest.

Interjections.

Mr. Deputy Speaker: Will you carry on your private conversations outside the chamber, please?

Mr. Wiseman: For the information of the last speaker I am told, in checking it out, that in the province an average complete funeral runs from about $550 to about $1,200. We know there are some which go over board but one can get a really good funeral, a complete funeral, in that area.

Mr. Peterson: Do you say that from experience? We will do you for 50 bucks.

Mr. Wiseman: The member for Port Arthur (Mr. Foulds) mentioned this afternoon that he thought people should have the right to bury their dead if they wanted to. Again, that's a case of his not reading the bill. There is a provision which would allow a person to bury his or her own dead if it is so wished.

There are many other things I could say about the bill but because the bill is going to committee of the whole House and we will get into it clause by clause I won't say much more other than I believe the bill regulates The Funeral Services Act and looks after the interests of the public. I would ask each member of the Legislature to support the bill.

Mr. Deputy Speaker: Mr. Wiseman moved second reading of Bill 171, to which Mr. Moffatt moved an amendment that Bill 171 be not now read a second time but be read a second time four months hence.

The House divided on the motion that the bill be now read for the second time which was approved on the following vote:

Ayes	Nays
Auld	Angus
Belanger	Bounsall
Bernier	Breaugh
Birch	Bryden
Brunelle	Burr
Bullbrook	Cassidy
Campbell	Davidson (Cambridge)
Conway	Davison (Hamilton Centre)
Cunningham	Deans
Drea	di Santo
Eakins	Dukszta
Eaton	Ferrier
Edighoffer	Foulds
Ferris	Germa
Gaunt	Gigantes
Good	Godfrey
Gregory	Grande
Grossman	Laughren
Haggerty	Lawlor
Hall	Lewis
Henderson	Lupusella
Hodgson	MacDonald
Johnson (Wellington-Dufferin-Peel)	Mackenzie
Jones	Makarchuk
Kennedy	McClellan
Kerrio	Moffatt
Lane	Renwick
Leluk	Sandeman
MacBeth	Swart
Maeck	Warner
Mancini	Wildman
McCague	Ziemba—32.
McKessock	
McNeil	
Meen	
Miller (Muskoka)	
Morrow	
Newman (Durham-York)	
Newman (Windsor-Walkerville)	
Nixon	
O'Neil	
Parrott	
Peterson	
Riddell	
Rollins	
Roy	
Ruston	
Sargent	
Scrivener	
Shore	
Singer	
Spence	
Stephenson	
Taylor	
Villeneuve	
Welch	
Wiseman	
Worton—58.	

Ayes 58; nays 32.

Ordered for committee of the whole.

CORPORATIONS TAX AMENDMENT ACT

Hon. Mr. Meen moved second reading of Bill 168, An Act to amend The Corporations Tax Act, 1972.

Mr. Speaker: Does the hon. minister have an opening statement, any comments?

Hon. Mr. Meen: In line with the observations made by my colleague, the Treasurer (Mr. McKeough), in his statement to the House on October 26 last, this bill will broaden the base for the Ontario foreign tax credit to include foreign taxes paid on net capital gains earned in the year. Presently such gains are subject to double taxation.

Mr. Speaker: Order please, there is a great deal of background noise in the chamber. We cannot hear the hon. minister. Order please. Those who are leaving will please leave quietly.

Hon. Mr. Meen: Secondly, the bill proposes to increase the amount of the claim from the 10 per cent presently provided in the Act to 12 per cent, which is in parallel with the present amount of corporation tax payable.

Ms. Bryden: Mr. Speaker, as the minister has just said, this bill is to give a full tax credit to corporations which operate outside the country. The provincial Treasurer said that this was being brought in to parallel the treatment in other provinces. He did not make it clear whether this means that Quebec, which is the only other province that has its own corporation tax, has a full foreign tax credit. This is something I would like the minister to clarify—also whether in the provinces where the federal government collects

the corporation tax there is a full foreign tax credit.

We intend to support this bill because in principle we do not like double taxation and that is what foreign tax credits are intended to remove. However, having said that, I would like to note that we observe that this government seems to rush to the aid of corporations when there is a question of inequity, but it is much slower in rushing to the aid of individual income tax payers when inequities are pointed out there.

For example, a year ago I pointed out that our income tax credit for political contributions was working very unfairly in this province in that people of modest income, students and people who only work part of the year and therefore do not have very much taxable income, were not receiving any benefit from this legislation. The credit for political contributions was taken off after all the tax credits had been taken off, and in many cases that reduced their taxable income to nil so they did not qualify for a political credit. Yet under the federal Act, they would have qualified for a political credit if they had made a contribution to a federal party. The intention was that the two political credits would be parallel.

It seems to me unfair that people of modest means who wish to support political parties should not be able to benefit from this legislation, simply because there are tax credits built into the Ontario system. Most of those tax credits were built in, not to reduce income tax but simply to use the income tax device as a means of compensating people for other taxes which were considered too heavy on the lower income groups. Instead of giving them exemptions for sales tax, they were given a sales tax credit; instead of giving them a cut in property tax or more money to the municipalities, they were given a property tax credit; and instead of giving them an additional supplement to the old age pension, they were given an aged tax credit. Those credits are completely independent of the income tax system and it seems to me that that's one area where the province could have moved. I will say more about this when we get to the income tax.

I was just pointing out that the government seems to move very quickly to help the corporations. In fact in this particular proposal it's going to make it retroactive—which it very seldom does for very many taxpayers—because this will apply to corporations whose fiscal years end after December 31, 1975.

When this was brought in as a proposal by the provincial Treasurer last month, there was no estimate of the cost of this particular removal of what was considered an inequity. We asked the Treasury officials in the prebudget briefing and they said perhaps from $1 million to $5 million, but you couldn't really tell. I wonder if the minister has any more up-to-date idea of what this is going to cost him in revenue and how much of a gift it is to the corporations?

It perhaps points up the need for more publication of corporation tax statistics in this province, since we collect our own corporation tax. Statistics Canada does not have the same information as it does for the provinces where the federal government collects the corporation tax. Therefore the onus is on this province to publish more of its corporation tax statistics, showing us from what sectors the tax is derived and giving us the background data from which one could estimate the kind of burden this particular tax change will have. This would enable us to monitor its cost to the province.

[9:15]

The cost could be constrained if more efforts were made to encourage investment in Ontario, to stop the drain of capital to the United States and other countries. The latest figures from Statistics Canada on direct foreign investment by Canadians abroad at the end of 1974 showed a 20 per cent increase over 1973, and the total stood at $9.3 billion.

We heard recently that the Cadillac Fairview Corporation is right now bidding to invest $284 million in an urban development in California. That may generate income which will be taxed in the US and will become eligible for this foreign tax credit. But Ontario will get nothing from that investment under this amendment. If Cadillac Fairview has that kind of money to invest why is it not investing it here? Goodness knows we need housing—affordable housing—in this province.

Has the government made any effort to sit down with Cadillac Fairview and see why that investment could not be made here? Even if some of the money is being raised in the United States by borrowing, there is no reason why the money could not be invested in Canadian housing. Rent control does not apply to new construction so what is the reason we cannot get this kind of money invested in Canada?

Mr. Cunningham: They are scared of the socialists.

Mr. Conway: They are scared of you.

Mr. Mancini: You know the answer to that question. They are scared of you.

Ms. Bryden: Perhaps the government will cease to continue relying on the private sector if it finds that this is what the private sector does with its funds for investment.

Mr. Ferris: Nationalize every one of them.

Ms. Bryden: If we want to keep the cost of this credit down and discourage investment abroad we should consider means of encouraging Canadian investment at home. We might of course withdraw the credit as a lever to encourage investment at home. However, that might lead to retaliation. It might be somewhat harmful to foreign firms which are now operating here. While we don't agree that the government should be encouraging foreign firms to move in and take over our economy and cause this great drain of profits and management fees and transfer payments of other kinds across the border, we don't think that the removal of the foreign tax credit is necessarily the best way of discouraging investment abroad and encouraging it here.

Mr. Ferris: Is that both sides of the fence?

Mr. Mancini: Do you understand it?

Ms. Bryden: Instead our investment dealers might be encouraged perhaps by some tax incentives, to be more aggressive in persuading Canadians to invest in Canadian stocks instead of promoting investments in Wall Street at such a rate. The small junior Canadian mining companies, the genuine ones with real finds—not the bucket shop artists but the genuine ones—say they can't get Canadian capital for development.

Mr. Peterson: Of course, you are only in favour of the virtuous moves, aren't you?

Ms. Bryden: And the recent changes in the Securities Commission regulations have added to their problems. Most of them are forced to sell their finds to the big companies at bargain prices, because they get no help in raising capital for the development of a Canadian resource by Canadian prospectors and developers.

Statistics Canada figures for 1974 which I cited earlier showed that 31 per cent of foreign direct investment by Canadian companies abroad was in mining and petroleum. So that is where the money that could be going into our own resource industries is going, and I think things like this foreign tax credit may be encouraging it. We should be counteracting that.

Perhaps we could encourage it by participating in some joint ventures with them. Perhaps we could encourage our own financial institutions to earmark a percentage of their funds for investment at home in housing, in resource development, in new secondary industries, in import replacement. Much of our machinery and equipment is imported; that's an area where we should be looking at investments.

One may ask whether the corporations really need this particular form of tax relief at this time. It is a question of priorities. The Treasurer, in his Economic Strategy for 1977, made an attempt to show that the corporations were starving and to excite our pity for them. Yet Eric Kierans in the Walter L. Gordon lecture in St. John's in November said big business has never had it so good. He went on to ask, "What are they crying about?" He pointed out that corporation profits increased from $7.7 billion in 1970 to $17.8 billion in 1975, a 131 per cent increase in that period, an annual increase of 26 per cent. Forecasts for next year are for 12 per cent to 15 per cent with the relaxed AIB rules for profits. At the same time, the effective rate of federal corporation tax went down from 29.6 per cent to 26.6 per cent in that period from 1970 to 1975. Said Mr. Kierans: "But who, listening to businessmen, would have believed that this had happened?"

The provincial Treasurer could only show that corporation profits were suffering by a very careful selection of statistics and base periods and some adjustment for inventory inflation due to things like the increase in world oil prices. But he didn't give us the figures showing the extent of the adjustment, so we don't really know what his figures are based on. In other words, we don't know to what extent he cooked the books. For example, he used just the first nine months of 1976, compared to the same period a year ago, to show that after-tax profits are dropping for 30 selected companies. Our research department has tabulated the profits of these same 30 companies for the preceding years, 1971 to 1975, and estimated a figure for 1976 based on those first nine-month figures that the Treasurer used.

The table shows that the 30 companies had an annual rate of increase in after-tax profit of 15 per cent since 1971. They did face a drop in the last two years, that is true. But that drop in profits simply reflects the fact that one can't go on taking more out of the economy than is justified and expect anyone else to have enough purchasing power left to buy the overpriced goods. It also reflects the

business cycles, where high profit rises and high price rises are followed by wage catch-ups, because people have to eat. That, of course, reduces profit in time. One can't expect to top last year's profit increases with the same percentage increase ever year, especially if the profits were already at an exorbitant rate. The provincial Treasurer never questions the rate of profits.

While we support this bill in the interests of tax equity, we would like to have seen an amendment to The Corporations Tax Act which would call for a greater contribution to the provincial revenues from the corporations than they are now making. As I mentioned in my budget speech last April, the corporations' contribution to provincial revenues has gone down from 17.5 per cent in 1965-1966 to 10.9 per cent 11 years later.

I also pointed out that the Ontario corporation tax rate of 12 per cent is below that of three other provinces. British Columbia is 15 per cent, Newfoundland is 14 per cent and Manitoba is 13 per cent. The Ontario rate has not been raised since 1967. A one-point addition to the tax would bring in at least $80 million to help reduce the Treasurer's overblown deficit. That would be the kind of amendment we would be much more interested in supporting. In that way we could reverse the trend to reduce the corporate contribution to provincial revenues and we could reverse the trend which is shifting the burden of taxes to the overloaded individual taxpayer.

Mr. Peterson: If I could just speak briefly on this bill, Mr. Speaker, we regard it as nothing more than a housekeeping bill, although I must say when I heard the speech of the member for Beaches-Woodbine, who I gather is supporting the bill, I was about to caucus again and maybe reassess our position, because it worries me very much that the NDP are supporting this.

Mr. Nixon: There has got to be something wrong with it.

Mr. McClelland: Gives you a chance for some bravado.

Mr. Peterson: I must say I was very fascinated by her assessment about investment in Ontario. I would be very interested in leaving this matter over for a couple of days to see what her view would be then about investment in Ontario, the productive capacity of Ontario, the manufacturing capacity of Ontario, and all the other various aspects of the Ontario economy that produce wealth. I'll be very interested to hear her reaction at that particular time; if I may, I would like to take the liberty at that point of recounting to her some of the things she said tonight.

As I said, we don't regard this as anything more than a housekeeping matter. We see it as bringing Ontario in line with the rest of the provinces. We don't see it as a dramatic thing. I don't see it as a point to make great speeches on the state of the economy of the province of Ontario. That will come later.

Mr. Nixon: It is zilch.

Mr. Peterson: We have very serious reservations about the course this government is taking at this time—

Interjections.

Mr. Peterson: At this particular time I don't see that removing double taxation on a matter of two per cent in foreign income is a significant issue to debate with the government its economic strategy or policies or those areas where the government is encouraging the productive sector of this economy at this time.

Mr. Swart: What's a million?

Mr. Peterson: As I say, we will support the bill and we will save the serious debate for a later matter.

Mr. Speaker: Do other hon. members wish to speak to this bill? If not the hon. minister?

Mr. Conway: Is the minister mean?

Mr. Nixon: Meen by name, mean by nature.

Mr. Speaker: Order.

Hon. Mr. Meen: Mr. Speaker, the hon. member for Beaches-Woodbine has raised a number of points with respect to the bill. Actually the member for London Centre has answered one of her questions. She was asking about other jurisdictions. Other jurisdictions in Canada, I understand, have had this kind of full credit with respect to capital gains experienced in foreign jurisdictions by corporations paying tax here in Ontario since about 1972. As indicated, we are bringing our legislation into line for a full tax credit to the extent of foreign tax payable—limited, of course, to the amount of tax credit here.

She was asking about retroactivity. One could have argued, I expect, to have taken it back a lot earlier than January 1 of this year, but inasmuch as there would be returns that would have been filed without taking

this into account, it seemed appropriate to take it back no further than January 1, 1976. That is why we provide for that degree of retroactivity only, rather than to go back as far as 1972 to parallel the kind of tax credit allowances provided for in the other jurisdictions.

As to the extent of the amount of the estimated reduction in revenue, I am not at all clear where the Treasurer or his staff may have found the figure of—I think the member for Beaches-Woodbine said it was an estimate of $1 million to $5 million. It is our estimate that it is approximately $500,000, rather than that larger figure. By the estimates of my ministry, that's the maximum reduction in revenue by this streamlining of the foreign capital gains credit.

[9:30]

I wondered which argument the hon. member for Beaches-Woodbine was following when in the first instance she was talking about bringing some equity into the avoidance of double taxation yet on the other hand was suggesting that perhaps we shouldn't be giving this kind of credit at all in order to justify more investments here in Canada. I think she was really doing that as a sort of obiter dictum rather than something directly on the issue here tonight, because I think all parties agree that this amendment does bring some equity to the legislation. I don't know why she's suggesting we have hurried this because, frankly, if we'd been hurrying it we might have done it sometime earlier. I'm delighted that we're bringing it into effect at least for this taxation year. I want to express my appreciation to both opposition parties for their indicated support.

Mr. Nixon: Is that on?

Mr. Ferris: You have only got three people here; let Marvin talk for a while.

Mr. Speaker: Order, please.

Interjections.

Motion agreed to.

Mr. Speaker: Shall this bill be ordered for third reading?

Mr. Lewis: Mr. Speaker, on a point, there is an almost irresistible collective request on the part of the opposition parties that the member for London North speak to the bill.

Mr. Ferris: Voluntary irresistibility. Certainly as an accountant—

Mr. Lewis: I think he might do so to show his imaginative expertise.

Mr. Speaker: Even if the member should wish to, it is too late.

Interjections.

Ordered for third reading.

INCOME TAX AMENDMENT ACT

Hon. Mr. Meen moved second reading of Bill 169, An Act to amend The Income Tax Act.

Ms. Bryden: This bill does two things. It establishes the Ontario income tax rate for the 1977 tax year, setting it at the same rate it has been since 1972, 30.5 per cent of the federal tax.

Mr. Ferris: You are not getting your notes from the NDP.

Mr. Speaker: Order, please. The hon. member for Beaches-Woodbine only is making her remarks. Thank you.

Ms. Bryden: The second thing it does is change the method or the basis for calculating the tax credit in the income tax system which is given for retail sales tax expenditures. The intention of that tax credit was to allow low- and moderate-income people some relief from the sales tax which they paid on a great many things which were really necessities of life and which cut down their amount of disposable income very seriously.

Speaking to the second thing first, it would take a Philadelphia lawyer to figure out the exact meaning of the clauses changing the base for the calculation of the retail sales tax credit.

Mr. Conway: Does the NDP need Philadelphia lawyers? Never.

Ms. Bryden: It's based on the federal tax exemptions and deductions. I believe, and I stand open to correction by the minister, that the amendment is reducing the base on which the retail sales tax credit is calculated by deleting from the calculations certain deductions allowed under the federal Income Tax Act.

These deductions are those now made under section 110, subsection 1 and then the letters e, e1, g and h. They relate to deductions for blind persons or disabled persons confined to bed or a wheelchair and who did not claim under the medical expense deduction for an attendant or for nursing home care. They also relate to deductions for university costs, the $50 a month allowed to either students or those who support them.

The federal Minister of Finance in his budget speech last May announced certain changes in these sections for 1976, and they are now before the House of Commons in Bill C-22. They have not yet been passed. But this bill appears to remove those particular deductions from the calculation of the retail sales tax credit so that in future it will be confined mainly to the personal exemptions for single and married status, for dependants, children and so on. If we are correct that this is happening, that the base is being reduced, it seems most inappropriate at this time, when inflation is causing the burden of sales tax to increase. Even though the exemptions on which the sales tax credit is calculated are indexed, the indexing never keeps up with the cost of living. There is always a lag. The indexing may not be precisely fitted to the particular cost of taxable items but may be a more general index that covers general increases in the cost of living.

I think we should have some explanation from the minister as to whether he really is reducing the base for this tax credit. It seems to me that what we should be seeing at this time is an increase in the retail sales tax credit, as well as an increase in all the other tax credits which are provided in our income tax system, in order to try to make it more fair and less regressive.

For instance, the property tax credit has not been changed in two years and it is becoming less and less of an offset to higher property taxes; therefore, it is reducing the regressivity of the property tax much less because it is mainly a fixed amount of $180 and only allows for 10 per cent of property taxes or of rents to be added to that $180. The higher that taxes and rents go, only 10 per cent is taken into account in calculating the property tax credit. And, of course, as incomes rise, the offset at the other end, which permits the tax credit to phase out for the upper-income groups, becomes higher and higher as a result of inflation in incomes; so more and more people are cut out of the tax credit than in the past.

I think the whole tax credit system is ready for re-examination and increase if we are going to have a fairer, more equitable and more progressive tax system. We also need not only tax credits to offset the burden but also some action to control prices and profits, which are causing this inflation which, as I mentioned, is raising the burden of the amount of sales tax paid.

Going back to the first part of the bill, it was presumably to set our income tax rates for 1977 but, in fact, we are really being asked to buy a pig in a poke. The Treasurer, in his statement called Ontario's Economic Strategy for 1977, said that he was not suggesting that income tax should be raised until the fiscal negotiations for more tax room are finalized. We know that the Treasurer is up in Ottawa right now discussing those fiscal arrangements, but if he comes back without the sort of tax room that he wanted, then perhaps we will be facing another amendment to The Income Tax Act next week which will change the present rate of 30.5 per cent.

The provincial Treasurer has already rattled his sabre and suggested that if the federal government does not continue the guarantee payment—which was supposed to help the provinces adjust to the so-called tax reform we got and which did cause some reduction in revenues—if the federal guarantee payment is discontinued at the end of this year, as was proposed by the federal government, he might have to impose a 10 per cent across the board income tax increase. We don't know if that is what we will be facing when the Treasurer gets back.

Of course, he will also have to find money to pay for the $160 million tax concession he's going to give to the corporations for the machinery and equipment sales tax rebate.

We think the provincial Treasurer should not consider a 10 per cent or any across-the-board income tax increase until he has looked at other sources of revenue; until he has a proper contribution from the corporations, as I have mentioned in discussing the previous bill; until he has a proper contribution from our resource industries; until he has looked at various other aspects such as the number of loopholes in our present income tax system.

A recent study by the National Council of Welfare talks about our personal income tax system as being the hidden welfare system. It points out that total exemptions and deductions under the personal income tax in 1974 came to $6.4 billion and that 33 per cent—or over $2 billion—of those exemptions and deductions went to the top 11 per cent of the tax filers.

That's the sort of income tax system we have right now which the Ontario government should be pressing the federal government to change, rather than just going up and asking for more tax room. If the federal government closed some of those loopholes and withdrew some of those over-generous concessions, which really go mainly to the upper income groups, he could have more

revenue. He could also have more revenue if we didn't have just a half-tax on capital gains.

The provincial Treasurer provided us with a new study of personal income tax with his mini-budget last month. It gives a rather interesting picture of the kind of income tax we have in this province and who is really paying the taxes—although he has promised that another study is coming out which will go into more detail about the incidence.

I thought we should look at the situation with regard to the number of taxpayers earning over $35,000 in 1974 and what effective rate of tax they were paying. His figures show that there were 50,000 taxpayers in this category—over $35,000. The equivalent income of those same taxpayers now probably would be over $50,000 or more.

The average income of those 50,000 taxpayers was $60,500. Their effective tax rate was 34 per cent. In other words, they were paying only a third of their $60,000 and still had $40,000 left on average. In addition they received, on capital gains, almost half of the total taxable capital gains, they received, on RRSP contributions, two to three times the average contribution for RRSPs. They received three to four times the average contribution for registered pension plans, and on interest income from bonds, banks and mortgages they received some four to 20 times the average contribution, so we have people at the top who are being somewhat undertaxed. That category would now be $50,000 and up, because in the previous two years their income went up by 38 per cent and it's probably gone up by at least that much in the last two years.

[9:45]

One of the things that the National Council of Welfare study showed is that all these deductions for registered pension plans and RRSPs and the registered home ownership saving plan tend to go to the higher income earners. The more they earn the greater the benefit. They suggested that most of these personal exemptions and deductions should be put on the basis of tax credits so that everybody gets the same amount instead of it going up as your income goes up. That is certainly something that this government should be pressing for in its negotiations with Ottawa and in working out its own tax credit system.

There are just two other points I wanted to make. I mentioned in discussing the previous bill the inequity on political contributions. The people of modest income are just not being allowed to play their role in our democracy by being able to contribute to a political party and get a tax rebate. This is because the rebate is calculated after their tax credits. I mentioned that the tax credits really are supplementary to the income tax system and therefore should not be taken off before the political contribution is allowed for.

There is another rather difficult point on election contributions. I understand the federal government permits the election contribution credit to be made regardless of whether the husband or the wife signed the cheque in the case where one spouse is not a taxpayer—or the cheque could be signed on a joint account or to be a joint contribution. I understand the provincial government was asked by the federal authorities if they would not like the administration to be the same, since the federal government collects the income tax—to apply the same rules to the provincial political contribution credit.

I have been told that the provincial government turned this down on two grounds; one was revenue and the other was principle. The revenue would be negligible, I am sure. The number of places where the political contribution cheque was signed by the non-working spouse and the tax rebate goes to the working spouse would not be a great many. But it would give those families an opportunity to be first-class citizens instead of second-class citizens in participating in our democratic process. On principle, it seems to me, that should be the guiding factor if we are going to have a tax credit for political purposes that encourages the participation of many people in the financing of our parties.

Another possibility which has been put forward by this party and was, I believe, also suggested by the Camp commission—or discussed by them anyway—is the idea of a political checkoff on the income tax. The taxpayer could—

An hon. member: You do well by the checkoff system.

Mr. Speaker: Order, please. I fail to see where that is any part of this particular bill.

Mr. Reid: What has been on this particular bill?

Mr. Good: She has been on the bill for half an hour.

Ms. Bryden: This is the sort of change in the tax credit system—

Mr. Reid: Running her old speeches through again.

Mr. Speaker: Order, please. May I just point out that the hon. member is supposed to be talking to the amendment that is contained in this particular bill and not to any other part of the general income tax.

Ms. Bryden: There is a tax credit in this bill, Mr. Speaker, and I thought this was—

Mr. Speaker: I see nothing to do with, for instance, political contributions or what have you. So we should refrain from discussing those particular items which are not contained in this particular bill.

Interjections.

Ms. Bryden: Mr. Speaker, I think that I've made the main points that I wanted to make. We'd rather see a bill that was bringing in a reform of the tax credit system and bringing in a reform of the general income tax so that there is more equity and more progressiveness in it.

Mr. Peterson: We regard this bill too as mainly a matter of housekeeping. But I was very interested to hear the member for Beaches-Woodbine again speak on this bill with respect to political tax credits. It seems to me that her system of income taxation and credits would only revolve around political tax credits. I would respectfully submit to her there is more to it than that. It is interesting to me that she takes every single opportunity to throw in a little move for increased or better handled political tax credits—

Mr. McClellan: Eat your heart out.

Mr. Peterson: —and I think there are more important things in this particular legislation —as there were in the last piece of legislation —that we should deal with.

As I said, we regard this as a matter of housekeeping. It's very interesting that the Treasurer was running around this province in the last three or four months threatening four per cent income tax hikes and making all sorts of threatening noises about what may or may not happen, depending on certain federal action. But eventually I'm sure that he will construe himself again as a man of constraint because he's held the income tax rate at 30.5 per cent. In fact this has been, as I understand it, the same rate since about 1972. We don't regard it as dramatic; we don't regard it as particularly exciting.

The matter of income tax reform we think is a very important one. We're not sure if this is the time or the bill to discuss that particular matter. We will be discussing that because we think there are a great number of changes that have to be brought forward. Having the second lowest income tax rate in the Dominion of Canada there is certainly some room to move, in our view, particularly in view of the excessive property tax increases and in view of the Treasurer's idea of restraint being to load more and more on to the municipalities through a different tax base. We think this is a very important tax base that we can deal with, we think there's room to move and we'll be bringing forward proposals—

Mr. Lewis: What do you mean there is room to move?

Mr. Peterson: There's room to move up.

Mr. Lewis: You mean to increase the income tax?

Mr. Peterson: There's room to increase the income tax, there's no question.

Mr. Lewis: I just wanted to get that in black and white.

Mr. Peterson: Again I'll say that very clearly for the Leader of the Opposition, just so that he understands it very clearly. We think that given the second lowest rate of income tax in the Dominion that there is room to move in an organized, orchestrated, well coordinated basis. We're particularly concerned—

Mr. Lewis: But it means up rather than down, I take it.

Interjections.

Mr. Peterson: You can move either way.

An hon. member: No, sideways.

Mr. Speaker: Order, please—the hon. member for London Centre only.

Mr. Peterson: We find that we can go both ways on several issues and you never know what will happen. We'll save that as a surprise for later on. But we regard this, as I said, as a matter of housekeeping. We don't see any real fundamental disagreement, given—

Mr. Lewis: How high do you intend to go on income tax? How high are you going?

Mr. Peterson: It depends on—

Mr. Speaker: Order, please. The hon. member for London Centre, please, will ignore the interjections and debate the bill, thank you.

Mr. Ferris: Well said, Mr. Speaker. Long overdue.

Mr. Lewis: Would the member permit a question perhaps?

Mr. Peterson: Certainly.

Mr. Lewis: I wonder if you would tell us how high is up? That is to say, how much do you intend to increase the income tax?

Mr. Peterson: Let me say by way of answer that the potential of up is infinity. If the hon. member had a philosophical course at university he would know that.

Mr. Lewis: I see.

Mr. Peterson: Let me just say I'm not predicting that now. I'm saying that we will support this particular bill. But what concerns us, as I said—

Mr. Lewis: No wonder Marvin crossed the floor.

Mr. Peterson: Mr. Speaker, the Treasurer has run around calling himself a man of restraint—

Mr. Lewis: I would think so compared to you.

Mr. Peterson: —yet at the same time threatening these income tax increases. We are on record. We have been on record for a long time—

Mr. Lewis: You have promised income tax increases.

Mr. Peterson: —as favouring this particular rate. As the system is presently constituted, we support it. We would support no increase as it is presently constituted. If that's the way it sits; we will support the bill. There is no equivocation on that.

Mr. Speaker: Do any other hon. members wish to address themselves to this bill? The hon. member for Brant-Oxford-Norfolk.

Mr. Lewis: This is the new testament he is making—

Mr. Nixon: I will make a comment or two in support of what my colleague has said.

Interjections.

Mr. Nixon: It seems to me that if—and God forbid—

Mr. Lewis: At least God, yes.

Mr. Nixon: —the Tories were ever to be returned in a position in which they had enough members so they weren't concerned with the opposition position we would not have been treated to this particular bill. They have spoken in favour of an increased income tax percentage and certainly we think it would be a tragic mistake if it were to be raised. For the minister to sit there as he has, the patsy of the Treasurer as he always is—he has no control over the figures which go into this bill in any particular area at all. He simply reflects the policy which has been stated by the Treasurer who is not even in the House tonight. All he does is pilot the legislation through the House even though his mouth is wide open even when he isn't speaking, from time to time.

I would suggest that in the unlikely event the Conservative Party is returned in a position of majority in this province again the rate would be substantially higher than that which is before us now. Of course, we support this level because we feel it is as high as it should be and I would hope—

Mr. Lewis: That isn't what your financial critic says.

Mr. Nixon: —that an increase in the income tax would not be necessary. All the Minister of Revenue has to do is persuade his colleague, the Treasurer, to cut some of the inordinate expenses of government and that would surely be an improvement on the situation we presently have.

Mr. Spence: But he won't do that.

Interjections.

Mr. Speaker: Order, please. Order. The hon. member for Welland-Thorold.

Mr. Shore: Can we have a third opinion over there? Let's get a third opinion.

Mr. Swart: I want to say that the member for Brant-Oxford-Norfolk not only has to rise and bail out his leader on occasion but now he's bailing out the potential leader.

Mr. Nixon: Not at all, I am supporting him.

Mr. Speaker: The hon. minister.

Hon. Mr. Meen: I found that interesting, Mr. Speaker. It sure didn't sound to me as if he was supporting the member for London Centre.

Interjections.

Mr. Speaker: Order, please. The hon. minister has the floor.

Mr. Lewis: I intend to quote Peterson on this subject rather than Nixon, is that all right on the hustings?

Mr. Nixon: Nobody will listen to you whatever you say.

Mr. Speaker: The hon. minister has the floor, thank you.

Hon. Mr. Meen: As a matter of fact, I think I would like to quote the member for London Centre, too, and it would make a little more sense. At least one gets the picture of the Liberal party.

Interjections.

Mr. Speaker: Order, please.

Hon. Mr. Meen: I might observe that the 30.5 per cent is a relatively low rate across Canada. We make no apologies for holding it at that for the time being and for the foreseeable future, so far as I am aware.

Mr. Nixon: Until your instructions come from the Treasurer.

Mr. Speaker: Order.

Hon. Mr. Meen: I might observe that there is only one other province with a lower rate, namely Alberta, at 26 per cent—and they have oil. British Columbia has 31.5 this year, going to 32.5 for 1977. Manitoba is 42.5 per cent—42.5 per cent in that socialist province—and staying at 42.5 per cent next year. They are not proposing to come down. New Brunswick is 41.5. Newfoundland is 41 per cent and going to 42.

Mr. Cunningham: A Tory province.

Hon. Mr. Meen: Nova Scotia is 38.5 and holding at that for next year. Prince Edward Island is 36 per cent and holding—a Liberal stronghold. Saskatchewan, that other centre of socialism, is 40 per cent and holding.

Mr. Nixon: They are not getting a checkoff from the corporations out there?

[10:00]

Hon. Mr. Meen: It appears they are going to hold the line on that for at least next year. I think it is appropriate in times like this that we should try to hold on to the 30.5 per cent figure and that is precisely what we are doing.

There seems to me to be some confusion with respect to this credit under the retail sales tax aspect of the Ontario tax credit programme, and I am not going to respond in detail to the member for Beaches-Woodbine, who wandered very far off the principle of this bill, Mr. Speaker.

Mr. McClellan: She was right on.

An hon. member: She would have nothing to say if she didn't.

Hon. Mr. Meen: Let me just explain what we are trying to do here, by taking the members back to 1973, when the sales tax credit was under consideration. It was the intention then to give the credit to taxpayers and their dependants based on the taxpayer's personal exemption. Simple enough so far, I would venture to say.

Interjection.

Hon. Mr. Meen: Subsequently, in 1974, the federal government introduced provisions in the federal Act allowing for the transfer of certain unused deductions between spouses, and we paralleled this action by an appropriate amendment in our legislation.

The transfer deductions and the taxpayer's own personal exemptions were treated together as total personal exemptions on page four of the tax return. This resulted in the amount of the sales tax credit being higher than had originally been intended because, as the member for Beaches-Woodbine indicated, some other elements got caught up into this which had really not been intended.

Now that the federal government intends—and it is Bill C-22 to which the hon. member made reference—to include only personal exemptions in section 109 of the federal Act, and separate from transferred deuctions on page four of the tax return—in other words, they are segregating these things—it is practical to base once again the sales tax credit on the personal exemptions only. In other words, to come back to the position which we had originally intended. In fact, to use the colloquial, were we to do nothing at this stage with our legislation and the use of the federal forms, which I guess are now printed with respect to the returns to be filed next year—

Mr. Nixon: You mean they print them without this legislation?

Hon. Mr. Meen: —we would have ourselves in what might be called a bit of a mishmash.

Ms. Bryden: Cutting back on handicapped people.

Hon. Mr. Meen: So it is essential that we straighten this out so that the credit is only properly applicable.

I think that explains it as clearly as I can in a few succinct sentences. It is a complicated kind of thing, as the hon. member has said. I am not sure that it takes a Philadelphia lawyer to understand it, but I can say that it takes a good deal of time to concentrate on the various sections in order to comprehend what the federal government is do-

ing by its amendments to sections 109 and 110 of The Income Tax Act, and therefore what we have to do in order to simplify the return and to simplify the tax credit application with respect to retail sales tax credit of one per cent in the application to the forms.

Motion agreed to.

Ordered for third reading.

THIRD READINGS

The following bills were given third reading on motion:

Bill 168, An Act to amend The Corporations Tax Act.

Bill 169, An Act to amend The Income Tax Act.

EMPLOYEES' HEALTH AND SAFETY ACT

House in committee on Bill 139, An Act respecting Employees' Health and Safety.

Mr. Chairman: Are there any comments, remarks or amendments to any section of Bill 139? If so, what section?

On section 1:

Mr. Laughren: As strange as it may seem, Mr. Chairman, it's section 1. I did want to indicate to the chairman and to the minister that we shall be proposing a number of amendments, and I have sent a copy of those amendments to the minister. There are several of the amendments about which we feel very strongly, and with your permission, Mr. Chairman, I'll indicate what those are just prior to moving an amendment to section 1.

Mr. Bullbrook: May I rise on a point of order, Mr. Chairman?

Mr. Chairman: Any time.

Mr. Bullbrook: Anticipating the amendments, and I appreciate very much the fact that my colleague from Nickel Belt has supplied me with a copy of them, frankly I think we should resolve now the method of the ultimate resolution by the House of the amendment. My understanding has been that my colleague wishes to stack some and not stack others. I want to say to you, sir, that as much as we would like to facilitate my colleague, I just can't subscribe to that. My understanding of the purpose of stacking is to expedite the business of the House.

I totally subscribe to any request made by any member in connection with the amendments proposed by the minister, by the official opposition or by ourselves, that we stack them. But to stack some and not stack others really makes a travesty of the intent of stacking, because what it does is to permit a party or an individutl to emphasize the intent with respect to any individual amendment.

I hope that we'll be able to go with total stacking, because I understand there is something in the neighbourhood of 30 amendments that are proposed at the present time. I ask that we anticipate this so that we understand where we're going.

Mr. Laughren: On the point of order, Mr. Chairman. I, too, wish to expedite the business of the House with these amendments. For that particular reason I was going to propose—and I mentioned it to the member for Sarnia—that in order to expedite the business of the House that we do stack certain amendments. I was under the impression that stacking of amendments was for the convenience of the members and that it was an indication that there would be a similar vote on certain amendments, but it was at the wish of the members of the Legislature and the persons moving the amendments as to how they were to be voted on. I see nothing, in principle, that is wrong with stacking certain votes and not stacking other votes. I find the alternative in a bill such as this to be extremely time-consuming and, I might say, unnecessary.

Mr. Bullbrook: May I just make one comment, sir? I appreciate your indulgence. Under the rules, I feel that you can't make any ruling now. We'll have to wait until the first proposition as to stacking.

Mr. Chairman: To stack or not to stack is not the prerogative of the Chair. You stack with unanimous consent of the House; if that's withheld, you vote. It's not within the province of the Chair.

Mr. Bullbrook: I think you understand my purpose in rising.

Mr. Chairman: Will the hon. member for Nickel Belt please put his amendment?

Mr. Laughren: May I say a couple of words about section 1 of the bill before I put my amendment, Mr. Chairman?

Mr. Chairman: All right.

Mr. Laughren: Thank you. There are several sections in the bill that we intend to move amendments on—

Mr. Chairman: You must speak to section 1, though.

Mr. Laughren: Yes, I shall speak to section 1. In section 1, which consists of the definitions, there is much that can be read into definitions. When one compares the approach to occupational health in the various jurisdictions, it becomes clear just how important definitions can be when dealing with occupational health. One need look no further than section 1(b) of the bill, which defines employer to include a manager as defined in part IX of The Mining Act. We feel that employer should not be one who has control over the work place and the employees at the work place, but rather that an employer can mean a person, a firm, association, body, or corporation who or which has in connection with the operation of a place of employment one or more workers in his or its service.

Mr. Chairman, I might point out—and I know that you would be interested in this—that there is a very big difference between giving an employer in principle the right to control the employees in his work place and the right to be in charge of the operation of a place of employment. Surely the sooner we can move away from the whole concept of an employer having control over the employee, the further we move toward civilized industrial relations.

It was evident in the submissions that were made to the standing social development committee that the employers in Ontario don't agree with me. But I can tell you it is because of some of those submissions that I feel even stronger about this section now than I did before I drafted the amendment. Some of the attitudes displayed before the standing committee indicated that the employer had to be the one who controlled not only the work place, not only the conditions of safety and health, but the employee—every moment that the employee was at the work place. Surely that is not acceptable.

If we are going to say to employees in Ontario that we want you to—

Mr. Bullbrook: You didn't say that.

Mr. Laughren: I'm going to tell you something: If we are saying to the employees in Ontario that we want you to have a joint responsibility in matters of occupational health—that's what this bill says, that there's a creation of a joint committee to deal with occupational health problems—and if we believe that employees have a joint responsibility with the managers over problems of occupational health, then we have to give those employees some control over the work place. You cannot continue to give the employees the responsibility without the control over the work place.

Mr. Bullbrook: I am just telling you about second reading, where you state the employee has total control.

Mr. Chairman: Order please, the hon. member for Nickel Belt has the floor. The member for Sarnia will have his opportunity.

Mr. Laughren: I shall not dwell unduly on section 1(b), but I do think it is terribly important to establish that when we are debating a bill that gives employees joint responsibility in matters dealing with occupational health we say to those employees all across Ontario, "Not only are we going to give you responsibility but we are going to give you some authority in the work place." You don't say that to the employees by saying that the definition of an employer is someone who has control over them. That's not how you build a joint safety and health relationship in the province of Ontario.

I am very concerned that this bill will give employees the impression that they suddenly have new-found rights. Hopefully there will be a large educational process all across Ontario in connection with this bill.

If they turn to part IX of The Mining Act and find that an employer is someone who has control over the employees, the employees are going to say, "Just a minute now. I thought we had some kind of say in these matters." Yet by definition the employer has control over them. I don't see anything in this bill that says it refutes the definition of employer as defined in The Mining Act. As a matter of fact, you are enshrining that archaic definition in this bill.

Mr. Chairman, if I might, I am including with the amendment other amendments on section 1, for your information.

[10:15]

Mr. Chairman: Do you want to read them all at once?

Mr. Laughren: I would rather speak to the others individually because they are somewhat different. They deal with different definitions so, with your permission, we would deal with them individually.

Mr. Chairman: Mr. Laughren moves that section 1(b) of the Bill be struck out and the following substituted therefor:

"(b) Employer means a person, firm, association, body or corporation who or which has in connection with the operation of a

place of employment one or more workers in his or its service."

Mr. Bullbrook: I want to voice again my appreciation to both the minister and my colleague from Nickel Belt for giving me copies of the amendments they have in mind. I want to generalize, with your indulgence, for a moment. I'm very pleased to see that my colleague from Nickel Belt—

Mr. Laughren: Careful.

Mr. Bullbrook: —representing the new left.

Mr. Laughren: No. On a point of order, Mr. Chairman, I represent the strength and centre.

Mr. Chairman: That's not a point of order.

Mr. Reid: Nor is it true.

Mr. Shore: That's good.

Mr. Chairman: You would expedite the operation of this committee if you wouldn't indulge in frivolous points of order. Thank you.

Mr. Bullbrook: Again you have demonstrated your own ability both as Deputy Speaker and chairman of the whole House. I didn't mean to be provocative with respect to my comment about the new left. I did have some insidious motivation which I won't expand upon now.

Mr. Warner: No, extraneous perhaps.

Mr. Chairman: Is this on section 1(b) of the bill?

Mr. Bullbrook: On section 1(b)—as much as my colleague from Nickel Belt, in the first five minutes of his dissertation, was on section 1(b). I want to say this, if I may, and I quote from Hansard on second reading—

Mr. Wildman: Try Shakespeare.

Mr. Bullbrook: It was "The employee must control the working place." I said, in response to that, "Quite the contrary. The intention of this legislation is that the employer and the employee working together control the health and safety of the work place." That's our intention. If we view ourselves as the middle of the road in this legislation, so be it—

Mr. Warner: You can get hit by cars coming in both directions.

Mr. Bullbrook: —and we're happy with it. I want to look at the amendment which was given to me. The effect of this amendment is to broaden very much the definition of what constitutes an employer and then to restrict and at the same time broaden the application of the statute to it. It says, in effect, that any person, firm, association, body—now there is something. I'd love to sit down and invite my colleague from Nickel Belt to define for me what a body is.

Mr. Wildman: We dealt with that.

Mr. Bullbrook: We just finished the funeral directors' legislation and one inherently knew what a body was there. I look at The Interpretation Act and there's no such thing as a body. I looked at the Criminal Code to define the word body there.

Mr. Mackenzie: As long as you don't oppose it.

Mr. Samis: Just tell us you are opposing it.

Mr. Bullbrook: I want to sit down and I want to direct a question to my colleague from Nickel Belt. What is the legal meaning of body? Does he mean unincorporated association? If he means that, say it. I want to know what he means by body because I'm vitally concerned. Do you realize the implication of what you're doing here? Frankly, if you are prepared to explain to me totally the impact of the amendment, I'll accept it.

I want to voice through you, Mr. Chairman, to the Leader of the Opposition and to all his colleagues that I am not interested in the gamesmanship that went on in committee about who is intellectual, articulate, sensitive but has no heart. This isn't a question of whether individuals have heart. We are beginning a sincere attempt to structure, by statute, a protection for the workmen, individually and collectively, in the province of Ontario and we in this party support it totally, recognizing the need for balance. As I said once, legislation for reasonable people, but legislation for unreasonable people too.

We must look at the application of that, and we begin with what seems to be an innocuous section. But what it says is that within the framework of all these people, including "body," once you have one or more employees, then the statute applies to it. Just thinking from my own legal background, if I may, let's say a management corporation is established for tax purposes, sometimes nefarious tax purposes; this provision would bring the administration of that statute into play with respect to that corporation.

I try to transport myself, as Alice in Wonderland as it might be, to my function as the Minister of Labour—

Interjections.

Mr. Bullbrook: Frankly, I think we've got to be administratively sound. When we get to section 4(1), then we begin to define where the exercise of the ministerial discretion should be effected; we're going to get into a numbers game there, although I hope we don't. I truly believe under this statute that the obligation of the minister should be mandatory where either management or the employees are not content with the health and safety provisions that prevail in the work place. I've said this in committee, but amendments for the sake of words are not what we need. This statute, being a beginning, doesn't require obfuscation by enlargement that has no validity or purpose.

I ask you, what is a body in connection with "the operation of a place of employment, one or more workers in his or its service"? With that, I'm going to sit down. I hope I get an answer. I beg your indulgence in this respect. I can envisage this debate going on for a week.

Hon. B. Stephenson: Forever.

Mr. Bullbrook: If we're going to be involved with amendments for the sake of amendments, we're going to be involved with very elasticized debate. But if we're going to be involved with amendments that deal with the very gut issues of this legislation—that is, the protection of the individual employee and the protection collectively of the employees—then we're going to support the government wholeheartedly and we're going to support the opposition wholeheartedly, where it makes sense.

Mr. Ferrier: You can't do both, though.

Interjections.

Mr. Bullbrook: Yes, you bet your life we're on both sides. If in our judgement it's in the best interests of the employee primarily, and the employer also—we have an obligation as legislators to look at the employer—

An hon. member: Talk about Alice in Wonderland!

Mr. Bullbrook: Certainly we do. There's no doubt about it.

Mr. Ferrier: Aren't you straddling both sides of the fence?

Mr. Bullbrook: The Leader of the Opposition nods in consent, because the day of the narrow approach to trade unionism, to collective bargaining, to labour relations, has finished. It's totally finished. I'm going to resume my seat, asking my colleague from Nickel Belt, what is a "body" in the context of his amendment?

Mr. Hodgson: Almost, Stephen.

Mr. Drea: I hope it's a live one.

Mr. Wildman: There's a body over there.

Mr. Warner: They want a description.

Mr. Laughren: If I might respond to the member for Sarnia, if I thought for one moment that if I was to delete the word "body" that he would support my amendment, I would do so immediately.

Interjections.

Mr. Laughren: If the member for Sarnia will indicate that's the case, I shall delete it; otherwise I shall proceed with an explanation.

Mr. Bullbrook: Oh, you will proceed with the explanation?

Mr. Laughren: Unless you are going to support the amendment.

Mr. Bullbrook: Oh, no.

Some hon. members: Oh, oh.

Mr. Bullbrook: I don't want to be involved in gamesmanship. If my colleague can explain to me what "body" means, that's what I'm asking for. I'm just asking what "body" means.

An hon. member: I haven't got the foggiest idea.

Mr. Mackenzie: Quit playing games.

Mr. Ferrier: Quit playing your lawyer games.

Interjections.

Mr. Ruston: Go and get the member for Riverdale (Mr. Renwick).

Mr. Laughren: Mr. Chairman, if the member for Sarnia is saying that the word "body" is different somehow from the word "firm" or the word "association" or the term "corporation," I would only say that his pettifogging skills exceed mine. Thank you.

Mr. Bullbrook: That is exactly the response I anticipated, and I use it purely to point out to you Mr. Chairman, that we don't need to be dealing with superfluous words.

Mr. Warner: Then sit down.

Mr. Bullbrook: What we're doing is passing legislation—when we get to 2(1), for example, we're going to be dealing with legislation which is tremendously subjective, tremendously effective. All I am attempting to do is to point out we don't need words for the sake of words. I don't mean this to embarrass or to be nasty. The fact is I don't know what a body is. I presume the intention is to enlarge the definition of employer so that any person exercising administrative or managerial function will not escape as a result of the present definition. I think that's what the intention is and that's a very meritorious intention.

Then when we hook on it, the thing I find unattractive, frankly, is the hook on it. It's not the definition of person, firm, association or corporation—

Mr. Warner: I'll bet you are a wizard at Scrabble.

Mr. Bullbrook: I'm sorry; I didn't hear that. Did you wish to say something?

Mr. Reid: Just one of his more juvenile comments; carry on.

Mr. Bullbrook: No, go ahead, if you wish to. I'm always prepared to sit down.

Mr. Warner: You do a fine job with a dictionary.

Mr. Bullbrook: Mr. Chairman, I want to tell you that during the course of this debate, if my colleague from—I forget the riding; Scarborough-Ellesmere—wants to join in, I'm only too prepared to resume my seat.

Mr. Warner: It may take a week.

Mr. Bullbrook: I don't intend to take that long, believe me. I'm trying to set the tone for the debate because it's going to be a significant debate.

Mr. Warner: You have done that.

Mr. Bullbrook: However, we'll put up with that. I appreciate it. Mr. Chairman, I'll direct my remarks to you and to my colleagues through you.

If I may say, there is nothing unattractive to me and, I think, to my colleagues of the Liberal Party in the words person, firm, association or corporation. I think for the sake of exemplification that "body" is a redundancy and not needed in law. It's the question of one or more workers in his or its service. What that does, in effect—and I'm not sure the minister will agree with me but I'll direct my comment to her through you.

We're eventually going to get into a question of whether we're involved in a numbers game in the application of the statute. I don't feel it belongs in the definition section.

It belongs in section 4(1) when we decide in section 4(1) whether it's more appropriate, for example, as my thought is, that we make it mandatory—not the word may, but mandatory—on the minister to impose the health and safety committees where there isn't one which is satisfactory to both employee and employer. That's the intention I have.

As to the definition expressed in committee by the New Democratic Party, fine. They had to make an arbitrary decision and they decided on 10, was it not? I think it was 10. Be that as it may, I don't think the numbers game is an appropriate game.

To begin our discussion of the statute by playing a numbers game as to what constitutes an employer is not appropriate. Frankly, I don't know why it's needed. Why don't we just say an employer means a person, firm, association, or corporation which has, in connection with the operation of its employment, employee, if you want to?

I don't know why we get into it. Again, I beg the pardon of the chairman and the member for Scarborough-Ellesmere but I want to say this to you—the purpose of this is not to play games. It totally won't be as far as I'm concerned. This purpose is to get the best statute possible.

[10:30]

We have heard a tremendous number of briefs; some of which bordered on the sublime, some of which were the contrary in words. We want to work together—

Mr. Deans: We accept that.

Mr. Bullbrook: —and I'm sure we can work with the member for Nickel Belt.

Mr. Laughren: Mr. Chairman, may I respond to that? I agree with most of the remarks of the member for Sarnia, and I will say to him two things: One, that the definition of employer is not entirely out of my mind, it's from another statute or at least partly drawn from another statute. The word "body" is included to make sure that everything was included. If it is redundant I accept that is possible and I would be quite willing to have that word removed from the section. I agree with the member—

Mr. Chairman: The time for adjournment has arrived.

Interjection.

Mr. Laughren: Well, won't let a guy finish his sentence either, you know.

Mr. Deans: Let's put it to a motion.

On motion by Hon. Mr. Welch, the committee of the whole House reported progress and asked for leave to sit again.

Hon. Mr. Welch: Mr. Speaker, I know there is some special consideration being given to a question of one of my colleagues, but before you proceed with that may I indicate that on Thursday we were hoping to do second reading of Bill 170 and then to go back into committee of the whole House to carry on with this legislation, plus whatever else may be in committee of the whole House.

Mr. Speaker: The House was notified earlier this afternoon that I was duly and properly informed by the member for Bellwoods that he was not satisfied with the answer to a question directed to the Minister of Health and he wished to raise it at the close of the meeting this evening.

So, in accordance with section 28(a), I deem a motion to adjourn to have been made and I now call upon the member for Bellwoods. He has five minutes to explain his position.

FUNDS FOR SPECIAL FACILITIES

Mr. McClellan: Thank you very much, Mr. Speaker.

In 1974 the Legislature passed The Developmental Services Act, which transferred mentally retarded people from the jurisdiction of The Mental Health Act to The Developmental Services Act by way of providing the legislative framework for implementing the Williston report on normal community living for the mentally retarded.

When that was done a major oversight was committed, as follows: The mentally retarded were no longer protected by the services of The Mental Health Act in the event they had a mental illness. Some centres have managed to overcome this problem but it remains a serious problem at the Huronia Regional Centre. A number of tragedies have occurred.

On November 22 the Minister of Community and Social Services (Mr. Taylor) tabled the Willard report which was commissioned as a result of a number of serious community tragedies in the Orillia area. When he tabled that report, he said: "The Minister of Health has agreed to undertake with me an immediate review concerning the provision of psychiatric services with a view to inaugurating, insofar as it is feasible, the special psychiatric units under The Mental Health Act which are being recommended by the Willard report.

The Willard report is an excellent report which is eminently supportable by all members of this House, because it addresses itself to the serious problems caused by the gap created when The Developmental Services Act was enacted.

When I asked the Minister of Health on December 2 when, in effect, he would proceed to implement the recommendations of the Willard report as promised on November 22, I understood, by the Minister of Community and Social Services, the Minister of Health left real doubt as to whether he intended to proceed at all to implement the recommendations of the Willard report.

I want to stress how urgently we view this matter and what high priority it has. There are two things at stake: The most obvious is that every-day psychiatric facilities are not available for potentially dangerous and harmful retardates who are also emotionally disturbed, the likelihood of further tragedy is increased, and the very lives and safety of the residents at Huronia Regional Centre are endangered.

But secondly the future of the whole programme of normal community living for the mentally retarded—the programme of deinstitutionalization, of desegregation—is threatened by virtue of the failure to implement and to provide psychiatric facilities for emotionally disturbed retardates.

I want to remind you, Mr. Speaker, that this matter was raised by us on April 13, 1976. I suggested to the minister that he do precisely that—that he establish some kind of half-way facilities under the jurisdiction of The Mental Health Act. The Minister of Community and Social Services said then, "I think the capacity is already there." I pointed out, "But there are no facilities"—and today there are still no facilities. I want an assurance from the Minister of Health that he will proceed to set up the facilities now—not in the 1977-1978 fiscal year and not in April or May but now—so that they will be in place as quickly as possible. I understand from his response that this means in March.

We are facing at least a year of delay from the time that the obvious solution, not dreamt up by us but ascertained after consultation with those who are responsible for the provision of service, was first brought forward. Surely, the retarded in institutions

have a right to security, to freedom from harm and danger. It's the responsibility of government to provide that and it owes this right to their families. It should be a matter of urgent priority and I urge the minister to give us the assurance that we can look forward to speedy action on this very pressing matter.

Hon. F. S. Miller: When the hon. member spoke to me, both during my estimates when he was overruled by the chairman and later during question period, he was really asking whether moneys were being made available in supplementary estimates for this particular programme. I pointed out that there was no need to do it—that they would appear in the 1977-1978 estimates if, as, and when required. At the same time I did not try to imply that there was no action being taken. I believe he made that assumption.

Reports are not immediately translated into facilities. I think this report is getting faster and more thorough attention than most. There are 69 recommendations. I don't know how many of them apply to Health but I would guess perhaps a third of them do. We can accept the great bulk of them. We may not agree in full detail with all of them in the final analysis, but that's pretty normal.

At the same time we have already set up, I understand, a committee of three people who should start looking at the various patients and residents to determine which should be in psychiatric facilities and which should not. Therefore we've accepted the main premise, that there should be a differentiation.

Secondly we will find places to put them in two or three of our facilities—not necessarily Huronia, but not necessarily excluding Huronia—as quickly as we can determine where they are best cared for.

I can simply say that the question of the dollars is the least important of the problems. It is simply, for the time being, a transfer from one ministry to another rather than an addition of absolute dollars to the total government budget. I can only assure the member that it is proceeding quickly, is getting the attention it deserves and will receive the priority from me that the member feels it merits.

Mr. Speaker: I deem the motion to adjourn to have been carried.

The House adjourned at 10:40 p.m.

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OFFICIAL REPORT — DAILY EDITION

Third Session of the 30th Parliament

Thursday, December 9, 1976

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
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LEGISLATURE OF ONTARIO

THURSDAY, DECEMBER 9, 1976

The House met at 2 p.m.

Prayers.

POINT OF PRIVILEGE

Mr. Germa: Mr. Speaker, I rise on a point of privilege. You will recall that on Tuesday last, December 7, I brought to your attention the problem the public accounts committee was having in seeking information from the OHIP files as it relates to practitioners' incomes from OHIP.

Within the last couple of hours it has been brought to my attention that the Ontario Medical Association will be seeking a court injunction restraining OHIP from supplying said committee with said information.

I would therefore request, Mr. Speaker, that you issue your warrant, demanding that the information requested by the committee be supplied, returnable within 72 hours, for the committee's use only.

Mr. Speaker: I'll have to take that under advisement and report back to the hon. member. This is the first I've heard of this, so I'll report very quickly back.

Mr. Germa: Mr. Speaker—

Mr. Speaker: That's all I can say at this time. I can't do anything else about what somebody else is going to do outside the House, I point out to the hon. member.

Mr. Lewis: On a point of order, Mr. Speaker, did my colleague not raise with you the question of the issuance of a Speaker's warrant in respect of this matter a day or two ago, and are you not in a position to report to the House your authority in this matter?

Mr. Speaker: I don't recall the matter of the Speaker's warrant at that time. I'll have to check that. I missed that.

Mr. Lewis: If memory serves me, Mr. Speaker, with respect, I think in fact this precise point was made by the chairman of the public accounts committee—the need to turn to a Speaker's warrant. This is a pretty serious matter when members of the Legislature are denied public information to which they may well be entitled and we would urge your immediate intervention.

Mr. Speaker: I'm sorry if I missed that point. If you will recall, at that time the hon. minister made an explanation and I wasn't sure whether it satisfied the hon. member or not. But I shall surely pursue it early this afternoon.

Mr. Foulds: Mr. Speaker, if I might, I specifically raised the matter subsequent to my colleague from Sudbury, and asked you to issue a Speaker's warrant—I specifically used that term—on Tuesday last.

Mr. Speaker: Again, I am sorry if I missed that. I really did. I shall pursue it immediately, though.

Statements by the ministry.

The Minister of Natural Resources.

Mr. Stokes: Say it isn't so.

Mr. Lewis: This is a memorandum of understanding with the Minister of Industry and Tourism.

Hon. Mr. Bennett: Mr. Speaker, free enterprise shall reign.

Mr. Speaker: Order, please. Surely I don't have to reprimand the hon. members for this outburst. The hon. minister has a statement, I believe.

CAMPING IN PROVINCIAL PARKS

Hon. Mr. Bernier: Mr. Speaker, I am rising to assure all the hon. members that despite the impression which may have been created by this morning's Globe and Mail—

Mr. Lewis: They do it to you every time.

Hon. Mr. Bernier: —there will be no closing of any campgrounds in provincial parks in Ontario, nor will there be any reduction in the amount of campsites available to the public. Any suggestion to the contrary is simply untrue.

Mr. Lewis: What?

Mr. S. Smith: I saw the minister on television myself.

Mr. Nixon: What is the minister talking about?

Hon. Mr. Bernier: Mr. Speaker, in my opening statement in the debate last October on my ministry's estimates I said very clearly, openly and publicly that my staff were exploring ways to ensure continued high service to the camping public at the lowest possible cost to them and at the most reasonable cost to the government.

Interjections.

Mr. Speaker: Order, please.

Hon. Mr. Bernier: I also indicated then that as an experiment, in two out of 123 provincial parks the campgrounds were run by private operators last summer. They were at Sturgeon Bay and Inwood parks. The entry fees and the camping fees were the same as those charged at other provincial parks. Let me repeat that. There was no increase in the fees at those parks and the service level was supervised to ensure that it was better than or equal to the publicly-run parks.

Last week in Sudbury I was asked by the Northern Ontario Tourist Outfitters at their annual conference if more privatization of campgrounds was planned. I mentioned that our experiment would continue and that this coming season two more parks may have campgrounds operated privately. I stated clearly that no fee increase will be allowed over the rate charged at the other provincial parks where campsites are available.

I approved the experiments just described so that we might continue to explore other ways of providing public camping facilities at reasonable cost, as was recommended in the Special Programme Review under the chairmanship of Maxwell Henderson, the former Auditor General of Canada. The suggestion in the Globe and Mail story this morning that there would be a reduction in campsites available to the public is simply wrong.

Another point is that when I was questioned by newsmen yesterday about this matter, I made it very clear that this matter had not been discussed by cabinet and that there had been no policy change.

Mr. Conway: There's no policy.

Hon. Mr. Bernier: May I suggest the members check the Canadian Press story, written right after I was interviewed by the newsmen. It states that no policy change has been made. The Globe and Mail story is a sad distortion of our government's justly-praised effects—

Mr. Breithaupt: I heard you this morning.

Mr. S. Smith: I saw the minister on television. He has a double on television.

Hon. Mr. Bernier: —to seek ways to ensure better, high-quality and continuing camping facilities for the people of the province of Ontario. This is a programme that I'm proud of and we intend to keep it that way.

Interjections

Mr. Speaker: Order, please.

TRAINING SCHOOLS ACT

Hon. Mrs. Birch: Mr. Speaker, on May 5, 1975, the Legislature enacted The Training Schools Amendment Act, 1975, repealing section 8 which allowed a family court judge to commit a so-called unmanageable child to training school if no other programme was appropriate and if training school was thought to be needed.

Mr. Singer: Mr. Speaker, could we do something to be able to hear the minister? We can't hear what she's saying.

Mr. Speaker: Yes, we can give full and rapt attention. But I may say we are having some difficulty, I understand, with the sound system this afternoon.

Mr. Singer: Yes, we can understand that too, but we can't hear her.

Mr. Speaker: Order, please. That's not helping. I would ask all the hon. members who have the floor to speak up and the rest to co-operate, and I'm sure we'll be able to manage. Sorry.

Hon. Mrs. Birch: Mr. Speaker, on May 5, 1975, the Legislature enacted The Training Schools Amendment Act, 1975, repealing section 8 which allowed a family court judge to commit a so-called unmanageable child to training school if no other programme was appropriate and if training school was thought to be needed. This amendment, which was supported by all members in this Legislature, reflected the view that it is inappropriate to incarcerate a child who has not committed a criminal offence. Proclamation of the amendment Act has been delayed to allow the province to study the implications of the repeal and to allow further time for communities and the courts to adjust to the change.

We have seen admissions under section 8 drop from 604 in 1972 to 143 in 1975. There were 72 up to November 30 of this operating year. Most of the recent admissions are from distinct pockets in the province, and the fact that such admissions continue does not necessarily reflect the lack of alternative community resources. A few family court judges continue to use section 8 and would, I suppose, continue to do so as long as it is legally possible.

On the other hand, this Legislature is committed to the repeal of section 8 and to delay further would be to allow the flow of cases, albeit greatly reduced, to continue for an indefinite period. We have concluded, therefore, that we must proclaim the Act. The Training Schools Amendment Act, 1975, will be proclaimed on January 1, 1977.

As of December 3 of this year there were 786 children still in the wardship of the Minister of Correctional Services (Mr. J. R. Smith) under section 8 of The Training Schools Act. Of this total, 103 are in training schools. Others are in group homes, foster homes, special treatment centres and their own homes. After proclamation, some will still remain where they are. I would find myself placed in an unconscionable position if all of these children were to have their wardships terminated on January 1 with no regard for their care. Many of them are responding positively to the care and the treatment they are receiving and it would be irresponsible to move them from their community placements.

Of the 103 children still in training schools, 42 are expected to be returned to their own homes. Another 15 children will be placed in the ministry's group homes and 26 will go to ministry-supervised foster homes. Twenty others will be placed in boarding homes, treatment centres and special facilities. Each case is being individually reviewed by officials of the Ministry of Correctional Services so that the child will be placed in the most suitable location according to his or her needs, and an after-care officer is being assigned to each case.

[2:15]

In the placement of those wards who present particularly severe problems, the ministry's work is being assisted by a special committee of the Interministerial Council for Troubled Children and Youth. Some 25 cases are currently being reviewed to work out a co-operative plan for the placement of each child.

It is the aim of the Ministry of Correctional Services to have moved all section 8 wards from Training Schools by September 1, 1977, and to terminate wardships under section 8 just as soon as suitable alternatives to wardship can be found. The Minister of Correctional Services will direct his officials that, after proclamation, any children who remain as wards under section 8 are not to be returned to training school under the repealed section of that Act.

The repeal of section 8 is a necessary and a proper action. I hope the support of all members will continue as we grapple with some of the larger issues surrounding the problems of those children who require our special attention.

We have already taken some administrative steps. As the Minister of Health told the House last week, his ministry issued a directive on November 23 restricting the circumstances under which a psychiatric hospital can lay charges against children in its care. The directive notes that, first, charges cannot be brought simply to relocate a child who is difficult to manage, and second, each case must be reviewed by the minister.

The ministries of Correctional Services, Community and Social Services and Health have advised their staffs and agencies that records must be forwarded immediately or delivered by accompanying staff when a child is transferred from one facility to another.

In a concerted effort to deal with young children who are severely disturbed, we will transfer the services and programmes of White Oaks Village to the Ministry of Health from the Ministry of Correctional Services on April 1, 1977. As most of the members know, White Oaks has provided care for boys under 12 years of age in a family-like setting, with an educational programme designed to meet their needs.

Admissions in the past have been limited to those committed by a court order. We propose to make it available to a wider population, and for the first time to include girls. It will be operated as a direct service of the children's mental health services branch of the Ministry of Health. The facility will serve both wards of the Ministry of Correctional Services and Children's Aid Societies. Priority will be given to those children for whom no other community child-caring or treatment resource is available.

We are working on further plans which I hope to share at a later date in more detail. In this regard, there will be dollars available for selected areas of the province with special needs. However, I would like the members to know now that our priorities include the

establishment of a small, secure, treatment unit for severely disturbed adolescents.

Some of the members are already aware of the work of the Council for Troubled Children and Youth, with representation from seven ministries, which is headed by a full-time chairman and which reports to me. I hope I can impart to the House some of the enthusiasm and the goodwill that this interministerial council is showing in dealing with the complex issues related to troubled children.

In co-operation and in consultation with non-government people, the council is working on some of the broader and more troubling aspects of our shared concerns. For example, the council, with an expanded mandate from cabinet, will be studying the provision of residential services to children and youth. We are embarking, in fact, on a widespread review of special provincial services to children in order to develop guidelines for the continuation of services and the co-ordination of these services.

This is an enormous and important task, crossing ministries and policy fields. The council has already worked to assist in the transfer of White Oaks, and its recommendations are being sought in identifying areas of this province in need of selective funding. I might add here that we hope in general to put the dollars into programmes rather than into capital projects.

Such a project is already under way—without the assistance of our special funds—between the ministries of Correctional Services and Health. Each ministry has contributed $40,000 on a contracting arrangement for the purchase of service on a one-to-one basis for correctional wards with special needs. It is a very modest programme but it clearly demonstrates the direction in which this government intends to proceed by putting money with the child. For instance, one former ward of Hillcrest Training School, with many earlier unsuccessful placements, is now in a specialized foster home with a daily worker and a consultant to assist the boy and his foster parents.

We are committed to doing our best for children and youth with problems. I should caution, however, that we probably will never have all the answers. The public expectation that our workers can take these damaged children and effect a magic "cure" cannot always be realized. There will be some failures. It remains that what children need most is effective parenting. It is truly a sad fact that we cannot achieve full success in the treatment of every child who comes into our care. But we must never lose sight of the thousands of children who are assisted by the caring attention of teachers, child-care workers, after-care workers, probation officers, doctors and many others. They too are committed to the improvement of the system and they deserve our support. It is, after all, the mutual objective of all of us to see that each child receives our help in the most appropriate setting for his or her needs.

REHABILITATION WORKSHOP PROGRAMMES

Hon. Mr. Taylor: Mr. Speaker, in response to the questions raised by the Leader of the Opposition earlier this week concerning rehabilitation workshop programmes, I would like to provide details on the status of approvals and funding of these programmes. My reply of November 29 to the November 18 letter of the Georgian Bay Council for the Mentally Retarded, advised their chairman of the same information I am now sharing with you.

The Leader of the Opposition asked for an explanation of the "absence of government support" and specifically referred to "delays" within my ministry in regard to rehabilitation workshop programmes. An outline of the progress of specific projects shows, to the contrary, that government has given heavy support, both in funds and staff resources, and that in fact much has been accomplished in a very short period of time.

Port Elgin Life Skills project: The member has asked why no funds had been received. The facts show that while the purchase of service agreement was only finalized on October 20, a cheque was mailed from Treasury on November 15, even before my colleague and I received the inquiring letter from the Georgian Bay Council.

Collingwood Life Skills programme: The Leader of the Opposition will surely see that on projects such as Collingwood, this ministry certainly left no one "hanging." Our first contact on this project was in May. Within one week a staff person was sent to Collingwood to discuss the project. By the beginning of June, their project had been drawn up, with ministry staff assistance, and had received approval in principle. Despite the project changing from a life skills to a work and training proposal, by September the ministry had assisted them in every way, including the preparation of a legal agreement.

Before final approval was given, the workshop had taken on new clients in September. The final details of their proposal were approved this week and in fact, to assist them, the ministry has backdated their approval to September 1, to cover those clients accepted before the legal agreement and budget had been finalized. This kind of flexibility on the part of the ministry shows our concern to assist these workshops, many of which operate on volunteer resources.

Orillia Life Skills and Transportation proposals: Again this project shows there have not been the kinds of delays the Leader of the Opposition suggested in his question. Their request first came to my ministry on June 29. Many parts of the proposal needed working out between the ministry and the association, because they had in fact made three proposals—a life skills, a transportation and a group home proposal. They had not decided whether they wanted to utilize existing government-leased space in Orillia, for the life skills programme, or explore the feasibility of leasing their own space.

The transportation proposal needed better definition as it was not tied to any other specific programme. Rather than merely rule it ineligible under the workshop programme, the ministry made every effort to work with the association to develop a new proposal which would integrate the transportation proposal with other proposals.

A change in their workshop manager in September, their lack of viability to support a group home which they had proposed, and the lack of integration of their three proposals, necessitated more detailed discussions on their projects. A further meeting had already been scheduled for December 16 between the local association for the mentally retarded and ministry representatives, to discuss the three proposals so that they could be delivered in a co-ordinated manner prior to approving the rehabilitation parts of the proposals.

Mr. Lewis: So, in fact, nothing happened in that case?

Hon. Mr. Taylor: Dufferin Life Skills, Owen Sound Life Skills and Walkerton Expanded Work and Training proposals: These proposals were all submitted in August, after allocations for workshop funds had been made. In light of the very rapid growth of the workshop programmes in the first half of this fiscal years, it was necessary to secure approval for additional funding. Although the Leader of the Opposition suggests it is irresponsible to give approval in principle but no funding immediately, thereby leaving groups "hanging," it is my belief that these workshop programmes are of such value that additional funding is a good investment. Additional funding was secured earlier this month, so approvals on these programmes can be made immediately.

Mr. Lewis: That's right. After they harried you, you gave them money.

Hon. Mr. Taylor: Barrie: It was only in June that Barrie requested assistance from the ministry to analyse their needs and they were, in fact, nowhere near developing a proposal to meet those needs. Due to vacations and the summer recess of the workshop, it was agreed that fall would be a good time to discuss the programme evaluation. By September, allocations had already been made for funds, but rather than suggest they not develop a proposal, my ministry staff agreed to meet with the Barrie workshop when the financial control guidelines had been established, as these would be the key to the development of any proposal.

In keeping with our commitment to conduct the programme evaluation and discuss the budget guidelines with this workshop, I anticipate a ministry consultant will be in Barrie in the very near future, now the guidelines are established. We have already had several conversations with this group, so some information has already been conveyed and some background work completed.

Glengarry ARC Industries: The leader of the third party specifically asked me "why money never seems to arrive there" and why, for a second month in a row, they didn't have money to pay salaries. The fact that a cheque for $7,272 left Treasury on October 27 for their September claims and one for $6,381 left Treasury on December 1 for their October claims—

Mr. Lewis: After it was raised.

Hon. Mr. Taylor: —shows that money in fact does arrive there.

Mr. S. Smith: It did—after Villeneuve asked for it.

Hon. Mr. Taylor: Since in both cases, as with the majority of workshop cases, there was less than a three-week turnaround time from receipt of claims to issuing of cheques, there is no delay in payment to workshops.

As the member asked me to look specifically into the workshop in Alexandria—

Mr. Speaker: Order, please. Might I point out that there must be a microphone open and some conversation taking place next to it, which is further interfering with the sound in the—

Interjections.

Mr. Speaker: Order, please. That's not helping. Would you just keep your private conversations down, please? The hon. minister will continue.

[2:30]

Mr. Sargent: He is not going to say anything.

Mr. Roy: We don't mind. That is just Bette giving advice to John.

Mr. Sargent: Advice to the lovelorn.

Hon. Mr. Taylor: As the member asked me to look specifically into the workshop in Alexandria and this month's claims, I would like to report the claims were received by the ministry on November 10; approved by the rehabilitation branch; forwarded to accounts and Treasury, and a cheque actually left Treasury on December 1, before three weeks had passed—well before the member's question to me.

As a result of the interest expressed by hon. members in the rehabilitation workshop programme, I would now like to provide information on the overall programme to date. To provide work and training opportunities for the retarded and handicapped, my ministry has increased the budget for workshops by $5.1 million, from $12 million last year to $17.1 million this year. This is an increase of 42 per cent. The expansion of the 138 workshops in the province will, by the end of this fiscal year, serve 7,750 people.

Mr. R. S. Smith: It is all federal money that you didn't spend last year.

Mr. S. Smith: Did you put a federal label on it?

Hon. Mr. Taylor: The workshops have also expanded the range of programmes they can offer in assessment and training, sheltered employment, life skill programmes and work placement projects.

Interjections.

Hon. Mr. Taylor: Ninety-one proposals for programme expansion have been received by the ministry this year. Of these, 57 have been approved to date. The other 34 will be reviewed and processed within the next 30 days.

Mr. Conway: Filibuster.

Hon. Mr. Taylor: I thought you were interested in workshops? I think you would be concerned about the workshops—

Mr. Conway: Filibuster.

Mr. Speaker: Order, please. The hon. minister will continue with his statement.

Hon. Mr. Taylor: This dramatic growth necessitated a radical change in both our ministry's involvement and the workshop operations themselves.

Mr. Cassidy: Statements should be limited in time, especially his.

Hon. Mr. Taylor: To assure the effective delivery of the programmes and the efficient management of public funds, my ministry has over the past six months instituted various administrative changes. In June, the workshop programmes for the mentally retarded and the workshop programmes for the handicapped were put under one administration. This was done to take advantage of the expertise that has been developed within our ministry.

Six community employment officers have been hired to assist the workshop managers and the associations for the mentally retarded. Moreover, each of the 19 district offices of this ministry have allocated a staff member to provide liaison with the workshops to streamline the administration. In addition to this staff assistance, we will, in the near future, provide the workshop managers with financial control guidelines. In the past they have been dependent largely on volunteers for assistance in financial management.

At the beginning of this year our goal was to create 755 new places for work and training. In fact, we will have more than doubled our target—we will have 1,870 new places by the end of the year. This represents an increase of 32 per cent over last year's total places of 5,880.

I have received many encouraging letters from associations, and from the Ontario Association for the Mentally Retarded, who can see from their provincial view the vast growth and opportunities in this area in a short time.

Mr. Conway: I can imagine.

Hon. Mr. Taylor: Such growth would certainly suggest that, contrary to the Leader of the Opposition's statement, there is optimism not depression in the area of workshop expansion.

Mr. Conway: Point of order, Mr. Speaker—

Mr. Speaker: That's not really a point of order but it's a good point.

BUMPER STICKERS

Hon. W. Newman: Mr. Speaker, the members will notice on their desks today bumper stickers that promote our Niagara grape and wine industry. I'm sure all the members will use the stickers proudly on their cars and they are published here in the province of Ontario. I would ask members to put their bumper stickers on to help promote a very fine industry here in the province of Ontario.

Mr. Stokes: That is something like being your own liquor control board.

An hon. member: High-powered government action.

Interjections.

Mr. Speaker: Order, please.

Oral questions.

CAMPING IN PROVINCIAL PARKS

Mr. Lewis: Mr. Speaker, a question first to the Minister of Natural Resources. What did he say to the media which resulted in such unhappy misinterpretation of his customary verbal precision? Did the minister, in fact, indicate he would, over a period of time, reduce the number of campsites, or alternatively that he would turn a number of campsites into the hands of private operators in order to satisfy his insatiable need to reprivatize everything in sight?

Hon. Mr. Bernier: Mr. Speaker, there was a question raised, as I said in my opening statement, at the NOTO convention in Sudbury, at which time they questioned the government's direction with regard to the privatization of provincial parks. The member will recall that in the Henderson report there was a suggestion that we go in that particular direction, provided the quality of service and the price the public would pay were maintained.

We did embark on an experiment last year with two of our smaller provincial parks. We put them up for public tender. We received a number of proposals for Sturgeon Bay and Inwood parks. They operated last year, just on a year's lease. We didn't really get a tremendous amount of information from that one-year experiment. We are looking at the possibility of putting two or three other parks in the province of Ontario into the same field, maybe for a year or two longer, to give us a better feel, a better picture and more information as to how this could really work.

We are anxious, of course, to narrow the gap between the cost of operating and the amount of money we receive in our fees, a deficit of about $11 million. We don't intend, in any way, to reduce the 21,500 campsites in our provincial parks system, either through our own maintenance of those sites or through the private sector. The private sector at the present time has about 40,000 provincial campsites in the province of Ontario and it indicates to us they are getting stronger, they are doing a much better job.

If members look at the Algonquin Park master plan, I think it's a typical example. We are looking at it very carefully. The pressures on that particular area are tremendous, with the growing numbers of people who are visiting that particular park. It is obvious to us that we have to move out the camping sites there and put them into our satellite parks, which is part of the master plan programme. So we are moving on that but not in any way reducing the number of campsites.

Mr. Lewis: Is the minister prepared to give an undertaking that the sites at present available in the public parks, for the use of families in Ontario, will be maintained at a price no higher than that which the ministry charges, if run privately? Can the minister tell us what's wrong with some margin of public subsidy in order to facilitate inexpensive campsites for average working families in Ontario? What's wrong with that principle?

Hon. Mr. Bernier: I believe if the member had heard my remarks, I indicated that was this government's intention, to maintain that number of campsites at that price.

Mr. Lewis: That is not what I read.

Hon. Mr. Bernier: That's what we intend.

Interjection.

Hon. Mr. Bernier: There's a margin of subsidy, one might call, in the park system; we agree to that. It's substantial at the present time and it's growing, it's growing each year. We are concerned about it and we are looking at ways to give a better service to the general public at a price the public can pay. We are very firm on that point.

Mr. Warner: You won't have to worry about the trees either.

Mr. S. Smith: By way of supplementary, regarding whether there is a misquote or not: Could the minister confirm if that was in fact he himself speaking on television last night, when I watched and heard him say there are two long-term policies in his ministry? One was to end, gradually, on a long term, overnight camping in the parks, "reserving the parks for other purposes such as day use," and secondly, to turn over what camping does exist, gradually, to "the private sector." Was that not he that I saw on television saying those things?

Hon. Mr. Bernier: That quote might not be exactly what I said.

Mr. Conway: Get the Minister of Transportation and Communications to make your speech.

Mr. Roy: You have had sober second thoughts, have you?

An hon. member: Did the leader of the Liberal Party take it down in shorthand?

Hon. Mr. Bernier: I think he might be putting words in my mouth, but I have just repeated to the Leader of the Opposition the thoughts that we have within the ministry. We are looking at it very carefully, as a responsible ministry should; looking at the overall programme, the programme of recreation, and we are proud of it. Last year we catered to about 11 million people in the province of Ontario, in 123 provincial parks.

Mr. Lewis: Don't destroy it.

Hon. Mr. Bernier: That's 10 million acres of this beautiful province that we are going to continue to maintain.

Mr. Lewis: Have you thought of another ministry, perhaps?

Mr. Foulds: Supplementary: Did you actually say there were so many rules and regulations under the Ministry of Natural Resources, within the public park system, that they could not operate them effectively against the private parks system? Isn't the solution, if that is a problem, streamlining those rules and regulations and ensuring the rules and regulations protect the public interest?

Hon. Mr. Bernier: We believe on this side of the House that there are areas that the private sector can operate in and operate much more effectively and efficiently than government. That's the thrust of what I said.

Interjections.

An hon. member: Have you mailed a letter lately?

Mr. Reed: I wonder if the minister is aware that the Ontario Provincial Parks Council has addressed itself to this problem and had a draft policy statement ready to submit to the minister? Has the minister not gone ahead with a policy statement without consideration for the Ontario Provincial Parks Council?

Mr. Good: Which he set up.

Hon. Mr. Bernier: I have been in touch with Dr. Priddle of the Ontario Parks council and we clarified the erroneous press statements as of today. He has been instructed to carry on with this policy submission.

Mr. S. Smith: When, when?

Mr. Bain: Could the minister answer whether in fact the move toward privatization is not an effort to hide the fact that the government is not able to monitor campsites properly, there is an increased amount of rowdiness and the ministry doesn't want that to become a problem because it can't seem to handle it, and so it is turning the parks over to private interests? Could the minister also indicate to the House how many rebates were made in provincial parks across the province last year, and for what total sum of money, to overnight campers who put in a complaint and demanded a rebate because of the rowdiness and their inability to get a decent night's sleep?

Hon. Mr. Bernier: The answer to the first part of the member's question is, no. I would be glad to get the information with regard to the number of rebates and direct it to him personally.

Mr. Speaker: We have had now eight minutes on this particular question. I think the hon. Leader of the Opposition should direct a new question.

OHTB BUS LICENCE

Mr. Lewis: Mr. Speaker, a question of the Minister of Transportation and Communications: In light of the review of the Gray Coach-Greyhound decision, which he ordered yesterday, does the minister not think it both logical and fair that an extension of that review be the prohibition, directed at Greyhound, against its using the routes granted to it until the cabinet has issued its final decision?

Hon. Mr. Snow: No, Mr. Speaker, we have not made that decision.

Mr. Lewis: By way of supplementary, why would the minister want to sharpen the confrontation, develop the public expectation and anxiety and create all the unnecessary arguments that will flow from granting Greyhound these routes in the interim period? Surely it is a logical extension of the minister's position to have them hold back until the cabinet has decreed?

Hon. Mr. Snow: I don't agree with the hon. member that that should be done.

Mr. S. Smith: By way of supplementary: If, as the minister's statement suggests, he is not yet satisfied that the board fully considered the future of the routes to the smaller cities and towns in Ontario, and if he is not satisfied that the board fully considered the financial status of Gray Coach, then in the absence of such satisfaction on his own part, why would he permit Greyhound to continue to possibly damage the viability of Gray Coach and those particular routes?

Hon. Mr. Snow: This matter is going to be considered as expeditiously as possible. I do not think the period of time that will be involved will have any major damaging effect on Gray Coach, and in fact it may be very worthwhile to be able to observe the experience of the two companies running on that route.

[2:45]

An hon. member: We're not going to let them run—

Mr. Speaker: Order, please.

Mr. Breaugh: Supplementary: Does the minister have any proposals to make to those poor souls who have already lost their jobs, or will lose them, while the minister is doing this waltz around the block?

Hon. Mr. Snow: No, I don't believe that will be the case.

Interjections.

KIRK FOLEY

Mr. Lewis: May I ask the Premier: Has it yet been determined which riding the Premier has in mind for Mr. Kirk Foley, president of the UTDC, as the Conservative candidate in the next provincial election?

Hon. Mr. Davis: Unlike the New Democratic Party of this province, which makes allocations of candidates to particular ridings—

Some hon. members: Oh, oh.

Hon. Mr. Davis: —ours is a totally democratic party, where those decisions are made by the local riding organizations, so I can't help the Leader of the Opposition. I only wish that we find qualified candidates, unlike the NDP, in all the ridings of this province. It will be done democratically by the local riding associations, which the NDP should try some time; it would be a revelation for them.

Mr. Speaker: Are you sure that was of urgent public importance?

Mr. Lewis: On a point of privilege, Mr. Speaker. All I was seeking was confirmation of the rumour, and now I've received it. Thank you very much.

Mr. Conway: Taylor's parachute is still open.

Interjections.

Mr. Speaker: Order. We're wasting valuable time.

PICKERING NUCLEAR GENERATING STATION

Mr. S. Smith: A question for the Minister of Energy: Does he yet have an answer to my question of some time ago, regarding the alleged secret document, known as the Pickering Safety Report, and can he confirm some of the allegations that were made in an excerpt from that particular book, which I referred to?

Hon. Mr. Timbrell: I have an answer, which I'm not entirely satisfied with; there is some technical data used which I don't entirely understand. But I can tell the hon. member that the report referred to is not a secret document; in fact, a copy of it was filed with the royal commission on electric power planning a number of months ago.

Mr. S. Smith: Thank you very much. If that's the report, we'll await the answer when it's completed.

CAMPING IN PROVINCIAL PARKS

Mr. S. Smith: A question to the Minister of Natural Resources: Can the minister explain why it is he would make any statement at all on the subject of privatization of campsites, when in fact he has an Ontario Provincial Parks Council, which he lauded greatly in the Legislature on June 7, 1976, and that council, headed by Dr. Priddle, was looking

at precisely this matter and already has a draft policy statement? Just for his information, I will tell the minister that Dr. Priddle says he is "appalled" and "extremely upset" that the minister would make his statement without consulting his own council.

Hon. Mr. Bernier: I would refer the hon. member to the statement I made just a moment ago in connection with the direction that we've taken with regard to privatization. It followed the report of the Special Programme Review Committee. It was in place last year; we gained some information from it over the short term. We're looking for more information on a longer-term basis and we'd like to add maybe one or two more this particular year.

We've also asked the parks council to continue its examination of that particular policy and to move ahead jointly with us.

Mr. Breithaupt: No much point now.

Mr. S. Smith: They're not going to do very much for you now.

BROWNDALE OPERATIONS

Mr. S. Smith: A question for the Minister of Health: In view of the cancellation of the management contract between Browndale Ontario and Brown Camps residential and day school, a contract which netted Brown Camps close to $1 million a year, why has there been no decrease in the Browndale per diem, as there was in British Columbia, for example, when the management contract there was brought to an end? What's happening to that $1 million? Why are they able to fold it over into this year's budget?

Hon. F. S. Miller: First of all, if the hon. member will look at this year's budget, I think he'll find there's absolutely no increase in the per diem over last year, when virtually every other organization dealing with us had an inflationary increase. We've looked fairly carefully at the costs of Browndale and we're satisfied at the present time that we're getting value for the money spent. As the member knows, a fair audit was done last year to determine whether people were on two payrolls. We are satisfied they were not.

Mr. S. Smith: By way of supplementary, can the minister explain why he now says there was no increase, when he answered me in this House in November and said there was a three per cent increase? Furthermore, why was there no decrease the way there was in British Columbia when a similar management contract which had inflated the budget by a similar amount of money was cancelled? Why was that $1 million allowed to be folded into the next year's contract?

Hon. F. S. Miller: I think the member is jumping to conclusions. The three per cent increase, in effect, took place because there are three per cent fewer children in the system this year for the same number of dollars.

Mr. S. Smith: That's exactly what I was saying. A further supplementary on this particular point: Is the minister prepared now to explain to me, since the only matter that concerns him, according to his previous answer, was whether they are getting good value for the money, why he still insists that Browndale be a non-profit organization? Can he explain the logic in insisting it be non-profit, if all he cares about is whether he is getting value for the dollar?

Hon. F. S. Miller: I don't recall ever insisting it should be non-profit.

Mr. S. Smith: The ministry does.

Hon. F. S. Miller: It does not.

Mr. S. Smith: We'll hear more of that later.

Mr. Davidson: You are always going to do things later.

Mr. S. Smith: I know Browndale is sensitive to you. Forgive me, I have to bring it up once in a while.

Mr. Deans: We would like the investigation too.

Mr. Yakabuski: Let us find out who the directors are and what their salaries or fees were, and whether any were sitting members of the Legislature.

AIR POLLUTION AT HAMILTON

Mr. S. Smith: I have a question for the Minister of the Environment. Would the minister kindly take possession of those cloths that I am sending over to him, which contain samples of dirt taken from the house of a Mrs. Italiano on Tiffany Street in Hamilton?

Mr. Yakabuski: Is that your riding?

Mr. S. Smith: Would he, by looking at the correspondence in his own ministry, explain why it is that his ministry will not help Mrs. Italiano or any of her neighbours in obtaining some form of compensation from Canron and from Rheem Canada Limited, which

foundries are responsible for the particular iron oxide and other pollutants which are ruining the siding of her particular home and her car as well?

Hon. Mr. Kerr: We have issued violation notices against both of those companies.

Mr. R. S. Smith: It is in the riding of the Minister of Correctional Services.

Hon. Mr. Kerr: Unfortunately, the emissions from those plants are similar and we are having a hard time to distinguish significantly and sufficiently so that we can lay charges. These plants have been warned and they are under a control order. But once in a while, because of a breakdown in mechanical operations, they have extraordinary emissions that bother people such as Mrs. Italiano. However, I have had questions from other members from the Hamilton area about this particular situation, and we hope to correct it as soon as possible.

Mrs. Campbell: What year?

Mr. S. Smith: Supplementary: Since the answer seems to be that the ministry is unable to determine the exact percentage of blame which will lie on the shoulders of Canron as opposed to Rheem and, consequently, the ministry is not helping any of these residents get any kind of redress for their grievances at all, isn't that somewhat like refusing to prosecute some bank robbers because one doesn't know which way they divided the loot?

Hon. Mr. Kerr: The hon. member should realize we don't take civil action against companies to reimburse or compensate people living in the area. We prosecute under our legislation.

Mr. Singer: It sounds like the suit against Dow.

Hon. Mr. Kerr: In the meantime, the main objective is to get rid of the problem, which we're doing with the plants. In the meantime also, we will prosecute if the emissions continue.

Mr. Godfrey: Can the hon. minister inform us what was the date of the issuing of the violation order?

Hon. Mr. Kerr: I don't have that exact date, but it was some time within the last six weeks.

AIR POLLUTION AT NIAGARA FALLS

Hon. Mr. Kerr: The hon. member for Niagara Falls directed a question to the Premier last Monday concerning emissions from Niagara Metals Limited.

Our staff were aware of the incident of iron oxide fall-out which occurred in this plant on September 18, 1976. The cause of the emission was attributed to a small venting stack. The plant was shut down for approximately two weeks beginning September 22 during which time the bypass stack was eliminated and the emission was redirected to a dust chamber.

A violation notice was served on the company and an information was laid for this incident under section 8 of The Environmental Protection Act.

With regard to the question of possible health danger associated with this fall-out, it seems doutbful that this fall-out would cause a health hazard. However, our staff have forwarded the data to the Ministry of Health for their perusal and comment.

The hon. member also referred to the matter of the company's insurance representative requesting the signing of releases. This matter was first brought to our attention through the local press last December 6 and while we have not yet obtained a copy of the form, my staff have copied the wording provided by one of the residents.

As the members know, there is a fundamental right to negotiate a contract for damages suffered for any cause. However we would assume that any person entering into such a contract would first obtain legal advice or advice from an appraiser concerning the value and substance of such a contract.

Nevertheless, the signing of this release would in no way affect the enforcement of our legislation. I have asked my legal staff to review this particular release as to its legality.

Mr. Kerrio: A supplementary: I thank the minister very much for his answer. I would pose one question and that is: Could he, could his people—

Hon. Mr. Kerr: Yes, I would be happy to do that.

Mr. Breaugh: Supplementary: Is the minister, in that situation and in a similar situation at Fittings Limited in Oshawa, prepared to identify the emissions as being from a particular foundry operation? The problem in identifying what the cause is is one of insurance; in most cases it is some kind of

problem with either aluminum siding or automobiles. Insurance companies are now saying it is a problem of particular emissions from a plant but the ministry has been rather reluctant to identify that as the case, yet it does the sampling. Is the minister now prepared to do that so that people who have insurance claims can have their claims honoured by the company?

Hon. Mr. Kerr: Certainly, in a situation such as Niagara Metals Limited in which we are prosecuting, we would have to identify the plant. We would have to have sufficient evidence to launch such a prosecution.

There may be problems in other instances when we assume there may have been emissions or fall-out from a particular plant. The problem then is to identify the cause of some damage in strict relationship to that fall-out. We can't, I assume, do that in every case.

Mr. Swart: Has the minister seen the report from the laboratory pertaining to the iron oxide fall-out in Niagara Falls? Is he aware that substantially less than half of it is iron oxide and will it be referred to the Ministry of Health to do a serious test to see if there is any health hazard to it?

Hon. Mr. Kerr: Yes. As I indicated in my answer we have referred the readings and the information we have of that plant to the Ministry of Health to see what degree of health hazard is involved.

Mr. B. Newman: Would the minister consider the proposition of publishing in the press the names of those corporations and polluters which are under ministerial order so the public in the area could be informed? Would such publication not encourage the company to clean up the pollution a little faster?

Hon. Mr. Kerr: I could table that information in the House and I would assume it would be made public, particularly in Windsor.

[3:00]

HAMILTON GENERAL HOSPITAL

Mr. Deans: I have a question for the Minister of Health: Will the Minister of Health undertake to have his ministry investigate the current practices used in the Hamilton General Hospital for discharging patients, to determine whether it is a matter of common practice that doctors would discharge patients in their 80s and 90s to their homes when they are in need of additional care and when there's no one in that home on a regular basis to look after them?

Hon. F. S. Miller: We've never really tried to have the Ministry of Health become involved in the admission and discharge processes of hospitals in the province. We've left that entirely to the good or bad judgement of the physicians involved. I'm sure that as pressure for active treatment beds mounts there is often pressure applied to physicians in a given institution to discharge patients who may be deemed to be inappropriately there.

In Hamilton, I would have thought there was an assessment and discharge committee functioning that was set up to avoid the very kinds of things the hon. member is talking about.

Mr. Deans: If I may, by way of supplementary question: Since the assessment operation doesn't seem to be functioning adequately and since I have reason to know of two cases where deaths occurred in the last week of elderly patients who were sent to homes in which there were no other adults, and since I have reason to know of other cases where elderly patients, some in their 90s, were going to be sent home to apartments and empty houses, will the minister, even though it's not his practice, ask his ministry to investigate these practices and determine whether something can be done about it?

Hon. F. S. Miller: I'm quite prepared to learn more about the matter before jumping to a conclusion, either pro or con. Certainly we'd like to offer proper care for the people there and I'd like to hear from either the health council or some authoritative agency there as to how great the problem is.

Mr. Deans: One final supplementary then: Can I assume from the minister's answer that he will contact the health council today, since I have already brought it to the attention of his ministry on two occasions this week? Will he inquire immediately in order that we can avoid any repetition of the occurrences of last week?

Hon. F. S. Miller: I'll do my best.

PSYCHOLOGICAL ASSESSMENTS

Mrs. Campbell: My question is to the Minister of Health: Some time ago I asked the minister if he would answer a question

pertaining to Browndale assessments which result in placements in Viking Homes. The minister on that occasion said it had been brought to his attention and that he was investigating and would answer my question at a later date. Does he have an answer at this time, and if not, when may I expect it?

Hon. F. S. Miller: I did have an answer and I'm going to try now to give it to the hon. member accurately. If I'm wrong, I'll correct it later, if that's fair enough.

Mr. Roy: You can plead The Evidence Act.

Hon. F. S. Miller: We did look into the matter and we found that, in fact, student psychologists, I believe, were being used from time to time in assessing children as part of their training programme and that no charge was being made by the Browndale organization for these assessments. It was part of an educational programme, not a fee-for-service programme which I believe the hon. member implied in the first case.

An hon. member: A real vendetta.

Mrs. Campbell: I wonder if the minister would, in fact, investigate it further since the information is not that thees are students in psychology but that they are student teachers working toward a PhD in the teaching profession and not in psychology.

Hon. F. S. Miller: I don't recall that last variation. It may well be true, but is the hon. member sure they're not teachers of psychology?

Mr. Roy: You can't ask questions.

Mrs. Campbell: Mr. Speaker, I'm not here to answer questions. As a supplementary, could the minister not—

Mr. Roy: But she would do a better job than you.

Mrs. Campbell: —investigate this practice—

Hon. Mr. Davis: You don't really believe that, Albert?

Mrs. Campbell: —as it's part of his ministry?

Hon. F. S. Miller: That's another of the Goldenberg variations.

Interjections.

NEW HYDRO GENERATING PLANT

Mr. Lane: I'd like to ask the hon. Minister of Energy a question: Could the minister clarify a rumour that I've been hearing in recent days that the Dean Lake area near Blind River has been chosen by Ontario Hydro as the site of its proposed hydro generating plant?

Hon. Mr. Timbrell: No, Mr. Speaker.

Mr. Reid: You've got all the land bought.

Hon. Mr. Timbrell: Over and above that I can say I've had reports over the last few days too that apparently the CBC has been carrying a report in the north that that's the case.

I can tell the hon. member that is not the case, that I don't expect to have a report from Ontario Hydro on the subject until mid-1977, and I don't expect there would be any decision until about mid-1978, by which time we will also have heard from the royal commission on electric power planning. So that is not the case.

Mr. R. S. Smith: Is that post election?

Mr. S. Smith: How about El Dorado for Spragge?

Mr. Wildman: Could the minister confirm whether or not the citizens' committees that are currently carrying out site studies have narrowed down the possible sites, giving priority to Dean Lake? Is that the case? Is the minister aware of that?

Hon. Mr. Timbrell: I am not aware of that. The hon. members for Algoma and Algoma-Manitoulin know there were five sites being considered—one at La Cloche, another at Bruce Mines, the third area being Blind River—within which there were three specific sites being considered. I'm not aware that they've narrowed it down any further than that. They may well have, but I haven't had a report to that effect.

COURSES IN UKRAINIAN

Mr. Makarchuk: A question to the Minister of Education: About a year ago the parents' committees of St. Josaphat's, St. Demetrius, and the Holy Spirit Ukrainian Catholic Separate School presented to the minister a brief requesting full accreditation of the Ukrainian language as a subject from kindergarten to grade eight. Could he at this time advise the House when he is going to answer their brief and if so, what will be the nature of the reply?

Hon. Mr. Wells: I think I wrote them a letter recently and said we would answer

them when we had our policy on multiculturalism in education ready to be stated. At that time the answers to their questions will be answered.

Mr. Makarchuk: Supplementary: Will the minister then consider the input from their brief when he is formulating his multicultural policy?

Hon. Mr. Wells: Of course the input from that group, which I met with personally, has been part of the consideration that's gone into developing our policy.

Mr. B. Newman: Supplementary: Is the minister considering courses for the accreditation of teachers in the Ukrainian language?

Hon. Mr. Wells: I would say not to my knowledge, but I will be glad to look into the matter.

CBC FRENCH TELEVISION FILM

Mr. Roy: I have a question of the Attorney General. Knowing of the Attorney General's concern about the spread of pornography across the province and of his whole-hearted support for the position taken by the Archbishop of Toronto in the last few weeks, has he investigated or does he plan to do anything about the showing on CBC French television on November 28 of a film called J'irai comme un cheval fou? I'll translate that later.

Mr. Lewis: You are embarrassing Bob Welch.

Mr. Roy: I wonder if he has received any complaints about this film and whether he intends to investigate this situation and possibly lay charges against the network, which broadcast it right across the province of Ontario?

Mr. Foulds: What charges are you suggesting?

Hon. Mr. McMurtry: I don't know that this is a matter that necessarily falls within our jurisdiction.

Mr. S. Smith: That hasn't stopped you so far.

Mr. Speaker: Order.

Hon. Mr. McMurtry: I have had no complaints, but I could just suggest to the member opposite that perhaps we could persuade our colleagues in the justice committee to stay a little later one of these evenings and perhaps he'd like to arrange a showing.

Interjections.

Mr. Roy: Supplementary, Mr. Speaker: If I might ask, has the minister not already laid charges, for instance, against CFVO in Ottawa for broadcasting from Hull to Ottawa what was alleged to be pronographic material and are there not precedents? Is the Attorney General not in charge of the administration of The Criminal Code?

Hon. Mr. McMurtry: I think the hon. member opposite misconceives the role of the Attorney General in this province.

Mr. S. Smith: It's to get headlines.

Hon. Mr. McMurtry: The Attorney General does not lay charges.

Interjections.

Mr. Speaker: Order, please.

Mr. Reid: You are in charge of headlines.

Hon. Mr. McMurtry: To benefit from the wisdom of this advice under our system, the police—the individual police departments and the individual police officers—are vested with the very important discretion in relation to the laying of criminal charges. From time to time, we ask our police departments—that is the Ministry of the Attorney General asks the police departments—to review certain situations with a view to laying charges. The charges are not laid by the Ministry of the Attorney General, but by our police officers.

Mr. Roy: I know.

Hon. Mr. McMurtry: Well, that's not what you said.

Mr. Roy: Tell us about the hockey violence.

Mr. Speaker: Order, please.

Hon. Mr. McMurtry: Having had this matter brought to our attention I will be happy to review it with the Solicitor General (Mr. MacBeth) as to whether or not the matter should be pursued further by the police department.

Mr. Reid: That will be the end of that.

Mr. Roy: Your initiative has resulted in charges before in hockey violence.

Mr. Speaker: Order, please.

Hon. Mr. Kerr: Talk to your Grit friends in the CRTC.

Mr. Speaker: Order, please.

Hon. Mr. Rhodes: Talk to your friend Pierre Juneau.

Mr. Roy: Your initiative has resulted in changes before.

HYDRO POWER REDUCTION

Hon. Mr. Timbrell: Mr. Speaker, last Friday, December 3, the hon. member for Windsor-Walkerville asked a question of the Provincial Secretary for Resources Development (Mr. Irvine) which he took as notice on my behalf. It had to do with the J. Clark Keith generating station. The answer, Mr. Speaker, is as follows:

The J. Clark Keith generating station is comprised of four coal-fired units with a total installed net capacity of 254 megawatts. The station was completed in 1953 and has the lowest thermal efficiency of all coal-fired units in the Ontario Hydro system. To help stem the rapidly rising costs and because the plant did not meet the present-day air pollution requirements, a decision was taken in February, 1976, to temporarily take the units at J. Clark Keith generating station out of service.

This was accomplished in May, 1976. This decision was taken with the expectation that the Ontario Hydro load would be met during the period 1976-79, and with full knowledge that the system reserves would be reduced.

The present difficulties in meeting power demands stem from extraordinary problems with boiler support hangers at Nanticoke generating station which has made it necessary to remove three 500 megawatt units out of service—namely, units one, three and four—and maintain the load on the other two available units—units five and six—below 450 megawatts in order to reduce the stress on the hanger rods.

Thus, unexpectedly, 1,600 megawatts that Hydro had been counting on from Nanticoke generating station for the 1976 peak were unavailable. In addition, transmission limitations prevent Hydro from fully utilizing the available generation from its 2,000 megawatts oil-fired Lennox station.

The return of the J. C. Keith generating station would add only about 254 megawatts to a power system of approximately 20,000 megawatts. Hydro would still be in difficulties at the present time with or without J. Clark Keith generating station in service.

Mr. Haggerty: It was used for 20 years.

Hon. Mr. Timbrell: To take J. Clark Keith generating station out of mothballs and make it available for generation would take about one month. However, until necessary modifications to the plant are made so that present-day air pollution standards can be met, Hydro is not planning the return of the J. Clark Keith generating station to service at the present time.

Since the focus of Hydro's difficulties is at Nanticoke generating station, all available resources are being utilized to tackle the problems there. Hydro hopes to have some additional power available from that plant by December 17, 1976, with two units, which represent 1,000 megawatts of capacity, returned to full service with temporary repairs by Christmas.

Technical and economic evaluation of alternative uses for J. Clark Keith generating station have been completed, defining the required modifications to make the plant operationally and environmentally acceptable and indicating a need for generation from the plant by 1980. Recommendations in this regard will be presented to the Hydro board of directors at their meeting in December of this year.

Mr. B. Newman: A supplementary: Can the minister assure the residents and the industry in the tri-county area—Essex, Kent and Lambton counties—that they will not suffer from brownouts as a result of the J. Clark Keith generating station not being put into operation within the next month?

Hon. Mr. Timbrell: As I pointed out in my answer just completed, if the J. Clark Keith station were put back into service it would not answer the problem. As well, it would take over a month to bring it back into service and out of mothballs, after which time we should be over the December Christmas peak.

Through you Mr. Speaker, to the hon. member, I would anticipate that they will not suffer any more than any other part of the province if there has to be a reduction in the voltage or if there have to be interruptions to those industries that have interruptible A or interruptible B contracts.

Mr. Sargent: A supplementary, Mr. Speaker.

Mr. Speaker: The member for Carleton East. Order, please. A supplementary? The member for Grey-Bruce.

Ms. Gigantes: He can't ask—

Mr. Sargent: Are these microphones working?

Hon. Mr. Rhodes: Yes.

Mr. Sargent: Why don't you get a good sound system?

Mr. Speaker: We can hear you. Will the hon. member continue please.

Hon. B. Stephenson: You don't need one.

Mr. Sargent: I can sell you one.

Hon. Mr. Davis: I believe you.

Mr. Speaker: Order, please. Will the hon. member place his question?

Mr. Sargent: A supplementary to the Minister of Energy: Why does he put the fix on the people of Ontario? In the press release on December 1 he said the Nanticoke situation could be closed down until after Christmas; then there were the brownouts and next day one of the units came on-stream at Nanticoke—

[3:15]

Mr. Speaker: Order, please.

Mr. Sargent: Okay, I'm talking about energy.

Mr. Speaker: Order please, it's a good question, but nothing to do with the original question which had to do with this particular power plant that's in mothballs in Windsor. You may ask the question later.

Ms. Gigantes: I have a question for the Minister of Energy. I'd like to see if the minister can explain to the House why it was that Hydro instituted a voltage cut on December 3, when there were interruptible contracts still in operation which would have more than covered that voltage cut.

Hon. Mr. Timbrell: I don't know that that is correct. I will check the figures we have as to which were cut. As the hon. member knows there was a three per cent reduction in the voltage which was imperceptible in any part of the province. If in fact that was the case, I would imagine it was in order to assist those industries to keep operating because, as the member knows, a great many people on the work force have been inconvenienced because of the interruptions.

Ms. Gigantes: Supplementary: I wonder if, for the general enlightenment of the House, the minister would table the daily operating reports of Ontario Hydro for the last two weeks, covering the period from December 1 to December 3 in particular, with all the relevant details on purchases, on sales, on interruptible contracts and so on, and which generators were in operation producing how much.

Hon. Mr. Timbrell: I think, Mr. Speaker, that the hon. member, through her phone calls to Hydro on a daily basis—of which I get reports—does get that information.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Timbrell: But I'll be glad to get the information and to indicate how much Quebec has cut off from our contract, how much we bought from New York or whatever.

Interjections.

Mr. Speaker: Order, please. The hon. member for Erie.

Mr. Haggerty: Supplementary of the Minister of Energy: Will the minister reinstate the select committee dealing with the Ontario Hydro operation—particularly on the matter concerning the short-fall of energy at the present time? Will he reinstate that committee to look into it?

Hon. Mr. Timbrell: No, Mr. Speaker.

Mr. Speaker: A final supplementary.

Mr. MacDonald: I wonder if the minister in getting that information would get the specific information as to what proportion of the B interruptible contracts were really interrupted and what proportion of the A were interrupted?

Hon. Mr. Timbrell: That varies from day to day, depending upon the peak. Some days all of the Bs are interrupted, some days only some of them and some of the As. It was a different mix each day, but I'll get all that information.

Ms. Gigantes: On a point of privilege, Mr. Speaker, I understand there may have been some confusion in the response the Minister of Energy gave to my question when he talked about reports of my daily phone calls to Hydro. I hope he's not going to give us a report on reports of my daily phone calls to Hydro, I want more than that. Thank you.

Mr. Speaker: The hon. member has made her point. It is not really a matter of privilege—

Hon. Mr. Timbrell: I will just say I—

Mr. Speaker: Order please—it's just correcting something.

Hon. Mr. Timbrell: Mr. Speaker, I will get the information as I promised to the member, hopefully in as much detail as she's interested in.

Mr. Kerrio: A supplementary to the Minister of Energy, Mr. Minister, is the minister aware that the—

[Failure of sound system.]

Mr. Kerrio: Am I coming through, Mr. Speaker?

Mr. Speaker: Yes, I can hear you.

Hon. W. Newman: It sounds like you have a short.

Hon. Mr. Rhodes: Are you running out of power?

Mr. Speaker: Order, please, there is too much background noise now.

Mr. Kerrio: My question is to the Minister of Energy: Is the minister aware that due to the cutbacks in power he interrupted the heavy power users in the Niagara Peninsula, particularly in the abrasives industries; that they now have in fact a layoff of 40 to 50 men; and that there is some speculation as to whether some of the heavy investments they were going to make in those plants would rather be made in the United States because of the interruptions, and the decrease in available power?

Hon. Mr. Timbrell: I am aware, as I indicated in one of my earlier responses, that some industries in the province that have been hit several days in a row have had to lay some people off, and obviously that's of a great concern.

I have not heard from anyone to suggest that, because of the problems brought on by the low water levels and the difficulties of the Nanticoke generating station, any investment decisions are being put off. They realize that December is usually the annual peak in demand. They also realize that the utilities around us are having some problems as well—witness the fact that we are selling power, or have been, I am not sure if we are today, to Manitoba; Quebec had to cut back its sales to us and in the United States some of the authorities have difficulty during their peak, which usually comes in the summer.

I would doubt very much if those kinds of decisions would be based strictly on a problem isolated to a few days in December, 1976.

Mr. Speaker: The question period has expired.

PETITIONS

Mr. Warner: I have the privilege to enter, on behalf of 1,772 citizens, a petition protesting the Ontario Highway Transport Board's decision of November 22, 1976, which granted a licence for the purpose of operating bus routes between Buffalo, Toronto and Sudbury to the American-controlled Greyhound Lines of Canada Limited. The petitioners state—

Mr. Speaker: Order, please. I think the hon. member has stated the petition.

An hon. member: No, he hasn't.

Mr. Warner: The petition itself is worded to say that the Ontario Highway Transport Board has, in effect, limited Gray Coach operations throughout the province and such diminishing routes will be accompanied by cutbacks in staff at a time of high unemployment in Ontario. The petitioners believe that the decision of the Ontario Highway Transport Board should be reversed and they petition the government of Ontario to reverse the decision of the Ontario Highway Transport Board.

Mr. Stong: I have three petitions to present to the House today. The first is to the Lieutenant Governor and the House, endorsed by me, over the signature of 47 persons, indicating that the undersigned are against Greyhound taking over the Gray Coach routes, specifically Buffalo, Toronto and Sudbury.

The second petition, addressed to the Lieutenant Governor and the House reads: "We, the undersigned, oppose a decision by the Ontario Highway Transport Board to allow Greyhound Lines of Canada Limited"—

Mr. Speaker: Order, please. We can't hear the hon. member.

Mr. Stong: Thank you, Mr. Speaker—"to compete with Gray Coach lines, an Ontario firm, on some Ontario runs. We believe it to be contrary to the best interests of Ontario people, particularly those in the central and southern area to allow such rights to an American-based company at a time when employment is of such importance and economic considerations may force Gray Coach to go out of business. Gray Coach is more than just transportation. Their chartered services and personnel have made group

trips great occasions for many travellers in the Markham area." That is signed by 35 persons.

My third petition reads the same and it is signed by 25 persons. On behalf of these people I present these three petitions.

Mr. Roy: Is that the issue you are flip-flopping on?

Mr. Hodgson: Mr. Speaker, I'd like to present a petition and table it with the Clerk of the Ontario Legislature. It is directed to the Premier and the Minister of Transportation and Communications—

An hon. member: A rebellion in the ranks.

Mr. Conway: That will keep you on the back bench.

Mr. Speaker: Order, please. The hon. member for York North is presenting a petition.

Mr. Hodgson: —on behalf of approximately 500 residents of the towns of Aurora—

Interjections.

Mr. Speaker: Will the hon. member continue?

Mr. Hodgson: —and Newmarket and area. They are objecting to the Ontario Highway Transport Board's granting a franchise to Greyhound Lines of Canada Limited.

Interjections.

Mr. Speaker: Order, please.

Presenting reports.

REPORTS

Mr. Edighoffer from the standing miscellaneous estimates committee reported the following resolutions:

Resolved: That supply in the following supplementary amount and to defray the expenses of the Office of the Assembly be granted to Her Majesty for the fiscal year ending March 31, 1977:

Office of the Assembly

Office of the Assembly programme $1,493,000

Resolved: That supply in the following supplementary amount and to defray the expenses of the Office of the Ombudsman be granted to Her Majesty for the fiscal year ending March 31, 1977.

Office of the Ombudsman

Office of the Ombudsman
Programme $509,000

Resolved: That supply in the following supplementary amount and to defray the expenses of the Office of Provincial Auditor be granted to Her Majesty for the fiscal year ending March 31, 1977.

Office of the Provincial Auditor

Administration of the Audit Act and
Statutory Audits Programme ..... $ 95,000

Mr. Germa from the standing public accounts committee presented the committee's report which was read as follows and adopted:

As provided in section 35 of The Legislative Assembly Act, the House authorize Mr. Speaker to issue his warrant for the production to the public accounts committee of the records of the Ontario Hospital Insurance Plan respecting payments of income to individual licensed practitioners in excess of $100,00 during the fiscal year 1974-75; that records should include the name, address, nature of practice and any income derived from clinical billings to the practioner.

Mr. Speaker: Motions.

Introduction of bills.

CONSUMER INFORMATION ACT

Mr. Cunningham moved first reading of Bill 186, An Act respecting Consumer Information.

Motion agreed to.

Mr. Cunningham: Mr. Speaker, this bill provides for mandatory disclosure of information regarding material defect or the malfunctioning of a product; the prohibition of the manufacturing, selling or distributing of an unsafe product; manufacturer research into the safety and functioning of products; and reimbursement for replacing of or repairing a defective, malfunctioning or unsafe product by the manufacturer of that product.

Mr. Speaker: Orders of the day.

OHTB BUS LICENCE

Mr. S. Smith moved that the regular business of the House be set aside to discuss a matter of urgent public importance under standing order 30, namely, the devastating impact on the bus service to smaller communities that will result from the Ontario

Highway Transport Board decision to allow the operation of Greyhound Bus Lines on Gray Coach bus routes.

Mr. Speaker: I might say that the hon. member did give ample notice of his intention to introduce this special motion and I point out that each party will have five minutes to explain its position for or against this particular motion. I presume the hon. member for Hamilton West will lead off.

[3:30]

Mr. S. Smith: Thank you, Mr. Speaker I feel we have before us a matter of sufficient urgency, particularly the lateness with which we find ourselves in terms of when this session is likely to come to a close.

It seems to me the government has acted in this regard, with regard to the Ontario Highway Transport Board, in a way that urgently requires public scrutiny. I am particularly concerned. You may realize, Mr. Speaker, that it is two weeks ago today that I first raised this matter in this Legislature, and during that two weeks, until yesterday, we had received constant assurances from both the Premier and the Minister of Transportation and Communications that they supported the basic thrust of the OHTB decision, that they supported the idea of this competition and free enterprise. I would say to you that despite the last-minute partial recantation of yesterday by the Minister of Transportation and Communications we have here a very urgent matter.

An asset that belongs to the taxpayers of Metro has been depreciated here by approximately $10 million—maybe more; that's a conservative, if you'll forgive the expression, estimate—and in fact that particular asset value has simply been transferred over to Greyhound Bus Lines, controlled by American interests in the private sector. This represents a fundamental change of policy in the province of Ontario where heretofore no major inter-urban routes have been permitted to be overrun in the sense that there would be more than one major carrier on the ordinary route between two major centres. This has been the policy of the government up to now. The decision of the Ontario Highway Transport Board represents an absolutely fundamental change in this policy and such changes should not be made simply by the board but should be considered by the Legislature.

We wouldn't be quite as concerned about the need for an emergency debate except for the fact that Greyhound continues to operate at this very moment services on the lines which were granted to it by the Ontario Highway Transport Board. The government did accept finally, yesterday, that there is something that needs to be looked into. They pointed out, basically that they've lost confidence I suspect in their own board because they say that the board failed, basically, to look at the matter of whether the small towns would be affected with regard to their bus service, and, similarly, whether the economic viability of Gray Coach was being hampered in some way. Surely, by virtue of looking at the previous decision of the board in 1961, we see that it usually does include those criteria in its decision-making process, and if it failed to include those criteria one wonders what the board is doing anyhow.

We feel that the uncertainty felt by the employees who may now lose their jobs—and, certainly, even if they don't lose their jobs and are transferred into city routes on the TTC, might certainly lose their seniority and their pension rights and it's these employees who now see unions in Buffalo and Winnipeg clamouring for the jobs in Greyhound, which will supplant the Gray Coach drivers—we feel that their uncertainty needs to be put to an end; and, similarly, the uncertainty of the small towns; places that are along the way from here to Owen Sound, from here to the Barrie area, the Gravenhurst area and so on.

We feel, also, that the whole competence of the Ontario Highway Transport Board is called into serious question and needs to be discussed immediately. Time is running out on the session, as I've said. The Premier has said, according to published reports, that my motion, somehow or other, is improper because the matter is presently before the cabinet. If, in fact, he did say that then I can simply say to you, Mr. Speaker, that that is utter nonsense. If the matter is being considered before the cabinet there's no reason in the world why members of the Legislature should not be given the opportunity to express themselves and the views of their constituents.

This is a matter in which the House has a vital interest. It's a matter of great concern to the entire province of Ontario because, as I say, a public asset has been handed over. The spectre of public subsidy looms before us. The small towns are threatened with regard to their bus service. A fundamental change in policy has occurred; and the cabinet, which has consistently been stonewalling in front of this Legislature, despite questions, for two weeks and now, finally, comes out with a very weak and puny statement yesterday which by no means allays the fears that I have and that members of the public have regarding this shameful deal.

Mr. Lewis: Mr. Speaker, we energetically support the request for a debate on a matter of urgent public importance, and we support the motion, although let me say that we really didn't think we would have to. Frankly, we feel that the government's position is entirely insupportable, that the government should have moved before now in order to make this kind of initiative unnecessary on the part of the Legislature. However, because it is urgent and pressing, we will support it on the following four grounds:

No. 1, that the Ontario Highway Transport Board has clearly exceeded the authority given to it, and that it is making decisions which should be made by a government not an administrative tribunal.

No. 2, that the information acquired in the interim period relating to the dollar turnaround for Gray Coach, relating to the absence of service which will surely flow for small communities, relating to the jobs which are put in jeopardy, indicates clearly and urgently that this is a matter which must be dealt with by the Legislature with dispatch.

No. 3, that we cannot surrender, as has been indicated, a public asset to a major American conglomerate, frankly, whose corporate acquisitions and process of takeover in the United States and other jurisdictions is ominous and menacing and should not be permitted in the province of Ontario. In fact, if the government had taken the time to look at the way Greyhound has operated in the 50 years it has existed, between 1926 and 1976, in the United States jurisdiction, it would have had significant qualms about allowing it to overrun the only profitable routes which Gray Coach operates.

No. 4, may I suggest very strongly that the other reason this is urgent is that because once again, perhaps inadvertently, but nonetheless forcefully, we are in the process of raising a threat to the viability of small and rural communities in the province of Ontario.

Hon. Mr. Davis: You don't believe that?

Mr. Lewis: That's right, that's right.

Hon. Mr. Davis: Oh, come on.

Mr. Cassidy: That's true.

Hon. Mr. Davis: I could understand it over there.

Mr. Lewis: I want to put to the government, I want to put—I hope we are recording this unsolicited agitation on the part of the Premier.

Hon. Mr. Davis: It is not unsolicited; it has been solicited.

Mr. Lewis: May I say, Mr. Speaker, that if you are going to take away railway service, if you are going to close hospitals, if you are going to shut down arenas, then you don't terminate bus routes gratuitously. It's as simple as that; and that, too, requires an urgent response from this Legislature. That's why we support the debate at this time.

Interjections.

Mr. Speaker: Order please. The hon. Attorney General has the floor, I might point out.

Hon. Mr. McMurtry: Mr. Speaker, I want to make it very clear that so far as the government of which I am a member is concerned we welcome a full-scale public debate of this issue. However, I want to say at this time, I don't intend to direct any remarks one way or the other in relation to the wisdom or otherwise of the decision of the Ontario Highway Transport Board. Unlike some of the members opposite, I am rather interested in having all the facts before me before I am called upon to exercise my own judgement at the appropriate time. Certainly, I have no intention at this point in time in indulging in some of the rather uncuous sanctimony that I've heard in the last few minutes from across the aisle.

Mr. Conway: What about the member for York North (Mr. Hodgson)?

Hon. Mr. McMurtry: I can say, as an Attorney General, I am concerned about the propriety of a debate about a matter that is under appeal before the cabinet and my remarks will be restricted to that issue.

Mr. Renwick: You should be, you have been wrong—

Mr. Speaker: Order, please.

Hon. Mr. McMurtry: I have been advised directly by the general counsel for the Toronto Transit Commission that the formal appeal is forthcoming and will certainly arrive at the beginning of the week.

Mr. Singer: It is not in yet?

Mr. Nixon: So everything is on ice, eh? That is the end of the debate?

Hon. Mr. McMurtry: In my respectful view, I suggest that it is improper to ask those who will have the ultimate responsibility of making the decision on all the facts to participate in a debate prior to having all the facts before us.

Mr. Breithaupt: Don't participate then; just listen.

Mr. S. Smith: Don't participate then.

Hon. Mr. McMurtry: Surely the legislation that was passed by this House makes it quite clear—

Mr. Peterson: You don't have to say anything; you can let the Premier speak.

Hon. Mr. Davis: I am not—

Mr. Breithaupt: Say nothing. Just listen.

Hon. Mr. McMurtry: —that the executive council should be in a position to make a free and unfettered decision based on all of the evidence that will be before it at the appropriate time.

Interjection.

Mr. Speaker: Order, please.

Hon. Mr. McMurtry: —and particularly when the Minister of Transportation and Communications has announced that the Ontario Highway Transport Board will be having a further review of the matter.

Mr. Nixon: Meanwhile the buses are running.

Hon. Mr. McMurtry: Certainly the information that will be forthcoming in a public manner not only will be of interest to the public as a whole but obviously will be relevant to the executive council in its deliberations at the appropriate time.

Mr. Conway: Then suspend Greyhound temporarily.

Mr. Nixon: Except you welcome it.

Interjections.

Hon. Mr. McMurtry: I simply say that at the very least a debate at this time would be premature without having all the evidence that was before the Ontario Highway Transport Board—

Mr. Conway: Tory arrogance.

Mr. Speaker: Order, please.

Hon. Mr. McMurtry: —or indeed without having additional information that would be forthcoming in the public hearings that have already been announced. At the other end of the scale, this House wants to indulge in creating an appearance—

Mr. Renwick: This House is not indulging in anything.

Mr. Conway: You should talk. You should talk.

Mr. Speaker: Order, please.

Hon. Mr. McMurtry: —for the interested parties we are prepared to prejudge the matter—

Mr. Nixon: The minister already prejudged it.

Interjections.

Mr. Speaker: Order, please.

Hon. Mr. McMurtry: —that we are going to ignore entirely the protections that are afforded to the parties—

Mr. Speaker: Order, please. I think we've requested order several times this afternoon. The minister has about 30 seconds left in his time.

Hon. Mr. McMurtry: If the desire of the House is to run roughshod over the rights of those people, then that will be the members' responsibility.

Mr. Reid: Oh, baloney.

Hon. Mr. McMurtry: And to cloak it in the sort of nonsense that I've heard in the last few minutes for purely partisan and political motives—

Mr. Nixon: Eddie Goodman is looking after their rights.

Hon. Mr. McMurtry: —in my view simply is not in the best interests of the public of Ontario.

Mr. Nixon: Ed and John Robarts will look after them.

Mr. Lewis: Mr. Speaker, on a point of privilege. Whatever unctuous sanctimony I or others engaged in, it is as nothing compared to the way in which the Attorney General views the degraded value of this parliament in saying we shouldn't debate this subject before it is judged.

Interjections.

Mr. Speaker: Order, please. We have had the three positions put forward.

Mr. Lewis: The minister has a pretty contemptuous view of the Legislature.

Mr. Speaker: Order, please.

Mr. MacDonald: For once the executive branch is being brought to heel.

Mr. Speaker: Order, please. I listened very carefully to all the arguments put forward and there's no doubt in my mind that there

is sufficient urgency and public importance connected with the matter for all the reasons—and I'm not going to summarize them—as put forward by both the member for Hamilton West and the Leader of the Opposition.

But the Speaker has to abide by the rules of the House, and I would just point out one very important rule, which I'm sure is especially important for those who have any knowledge of legal things—and, of course I don't pretend to have—

Mr. Peterson: Don't make a ruling then.

Mr. Speaker: Order, please. Order 16(7)(ii) states: "In debate, a member will be called to order by the Speaker if he"—and I go over to 7(ii) of that—"refers to any matter that is before any quasi-judicial, administrative or investigative body constituted by the House or by or under the authority of an Act of the Legislature where any person may be prejudiced in such matter by the reference."

[3:45]

As I understand the situation, this matter has been referred to the Ontario Highway Transport Board, if I have the correct name, which is a body established by an Act of this Legislature and, therefore, I will have to rule against this debate at this time.

Interjection.

Mr. Speaker: No, that's the ruling.

Mr. S. Smith: On that point, if I can speak to the—

Mr. Speaker: If somebody wishes to challenge the ruling that's a different matter but that's the ruling.

Mr. S. Smith: With regret then—I would rather speak to the point in a spirit—but if I'm not allowed to do that, I'll simply have to challenge your ruling. I think you're incorrect in your interpretation, with regret, Mr. Speaker.

Mr. Speaker: I probably anticipated that, too. I shall put the question. The Speaker has made a ruling and it's been objected to.

Those in favour of the Speaker's ruling will please say "aye."

Those opposed will please say "nay."

In my opinion, the "nays" have it.

Then I shall put the next question, and that question is: Shall the debate proceed?

Those in favour of the debate proceeding will please say "aye."

Those opposed will please say "nay."

In my opinion, the "ayes" have it.

The debate shall proceed and, according to the rules, each member has 10 minutes to present his arguments in favour of the proposition. Who is the lead-off speaker? The member for Hamilton West.

Before we start, I believe the cameras have disappeared from the Legislature. May we have the lights turned down please? Thank you.

The hon. member for Hamilton West; his time starts now.

Mr. S. Smith: Thank you, Mr. Speaker.

I've been very concerned about how it is that a board such as the Ontario Highway Transport Board, which has a long and distinguished record in the province of Ontario, would suddenly come to make such a tremendously new policy whereby it decides that there would be more than one carrier on an interurban bus route.

It's not particularly my own opinion that overrunning inter-urban bus routes are to be avoided. We have the opinion, as well, of the Treasurer of Ontario (Mr. McKeough) who wrote to the hon. Minister of Transportation and Communications on March 15, 1976, because he was concerned about what he says is a reference to free enterprise. He says: "Bus services have always been controlled to maximize benefit to the public."

Similar arguments were made by Greyhound itself when it was opposing the application of Murray Hill to run between Montreal and New York, to overrun the Greyhound line. It argued very vociferously at that time.

I would like to quote from "A Case for Exclusive Territory Bus Franchises" by Peter C. Briant and Eric G. Walker. This particular quote points out: "Regulation is designed to save consumers from exploitation through price and if necessary to guarantee the provision of vital service at a satisfactory level."

I quote the following point:

"If there were to be free competition along the main lines of travel between large urban centres, we could expect that the profits on the high density lines would decline and service on the low density lines would probably not exist. Therefore, it would certainly seem to be desirable, in terms of public convenience and necessity, to offset losses on low density lines by profits on those of high density."

The argument is very well known; it's very well known even by the Highway Transport Board itself which, in 1961, ruled against

Greyhound's attempts to overrun Gray Coach. At that time the board said, "The board accepts the evidence in that it feels that the profitability of the operation of Gray Coach between Toronto and Sudbury would be adversely affected if this application were granted."

As I asked in the House the other day, what has happened to justify this? How can the government permit the OHTB to make a decision of this kind and then try to stonewall us for two weeks while we discuss it in the Legislature? How can the government risk the remaining transportation link which the small towns in Ontario have? How can it jeopardize jobs at a time of high unemployment in this province?

How can they justify giving away an asset that brings in revenue profit of about $800,000 to $1 million a year? They have made Gray Coach, which belongs to the people, a wounded bird basically.

I ask you to look with me, Mr. Speaker, at some of the history of what went on here. It is of interest that the whole matter seems to have arisen in the last year and a half. The application was filed in November 1975 by Greyhound. That's very interesting. I want you to know that on May 8 of this year, Ontario Northland also applied to overrun that particular route. Ontario Northland is an arm of the government, I remind you, Mr. Speaker, and answers directly to the Minister of Transportation and Communications. Yet, interestingly enough, as of the end of October just before the decision came in in favour of Greyhound, Ontario Northland withdrew its application to overrun Grey Coach.

Mr. Nixon: That's interesting.

Mr. S. Smith: It's a very interesting series of coincidences. And let me draw your attention to some more of these interesting coincidences, Mr. Speaker.

After the application was filed in November, 1975, hearings were scheduled for April and May. In the month of March, an article appeared in which the Minister of Transportation and Communications was quoted as advising Hamilton to sell Canada Coach, a bus company in a similar situation to that of Gray Coach in Toronto. He advised them to sell Canada Coach and said that really those in the city "should not be in the intercity bus business." That is what he is quoted as having said.

Hon. Mr. Snow: Mr. Speaker, on a point of order, I don't believe I ever advised the city of Hamilton to sell Canada Coach. It may have been discussed or suggested at a meeting with the representatives of Hamilton, but I don't believe I ever advised them that they should or should not sell the operation.

Mr. Deans: You were happy when they said they would.

Mr. S. Smith: I am sure the minister can make that point later on. The mayor of Hamilton at the time quoted the minister as saying: "He told us the city should not be in the intercity bus business and neither should the province."

At that point, Mr. Mallette of the TTC made a note of that particular article and wondered what was going on. First there was the application to overrun, then the statement that people like Gray Coach shouldn't be in that business at all. Interestingly enough, within the last year, he has received three letters—from Voyageur, from Charterways and from Greyhound—inquiring about the possibility of purchasing Gray Coach. You'll appreciate that the purchase price of Gray Coach has gone down substantially since this particular decision has been made, because the profitability of Gray Coach has been removed and it's been turned instead into a money-losing proposition which will probably have to be subsidized by the people of Ontario.

Hon. Mr. Davis: Has it been sold?

Mr. S. Smith: This is a very interesting situation in which offers or inquiries about buying it happen at roughly the same time as Ontario's Minister of Transportation and Communications suggests that maybe the city shouldn't be in that business. Now we find that a decision comes in which is unparalleled in the OHTB history. A totally different policy is being adopted from that which has previously been the case in Ontario.

We know very well that Voigt was allowed to overrun on the Kitchener to Toronto bus route, and we know also of the executive service that goes from Toronto to London; but both of these are horses of a different colour completely from the existing ordinary services on the major interurban routes. There is no other instance of a major interurban route which has been permitted to be overrun in this way.

What we have now are situations where the small communities are threatened, where the public of Ontario is being robbed of a $10-million asset that rightfully belongs to

them. We have a situation where the taxpayers may have to make this up in terms of financing and subsidizing the deficit. We have a situation where the cabinet sits back and permits Greyhound to continue to operate.

Greyhound brought down a good many witnesses, as you know, and put them up in the various hotels in Toronto, and these witnesses came forward with their information. It's of great interest that a good many of these witnesses live between Sault Ste. Marie and Sudbury, which is serviced by Greyhound. They admit they were told by Greyhound that if they supported Greyhound's application to run between Sudbury and Toronto, then they would be able to get certain local services in places like Espanola, Blind River and Iron Bridge. They didn't understand that Greyhound has the power to give those services right now—and that it had nothing to do with Gray Coach whatsoever that those services were not being provided.

It's perfectly clear that what is happening here is that the citizens of Ontario are being asked now to subsidize an American-controlled giant corporation. I ask you to consider, Mr. Speaker, this sequence of events in which, little by little, the Ontario Highway Transport Board seems to have found itself in a situation where it was in some form of acquiesence with what seems to have been a change in the fundamental thrust of government policy. I have to ask seriously how that could have happened.

That's a question which we will probably not be able to answer today but it is one which will stay in my mind for some time, because this is altogether too odd a sequence of coincidences. It seems very clear to me that the government, or certain members of the government, have decided that intercity transportation is no longer to be a franchised operation but rather is to be a competitive one.

If the government is that keen on competition and if the government thinks that competition will, somehow or other, improve the services to the people living along the express routes, then it might be worth trying. It might be worth trying some form of competition—doing the experiment. But, for heaven's sake, why experiment with the one profit-making asset that belongs to the public? The government wants to overrun somebody? Go and overrun Voyageur on Toronto to Ottawa and let's sit back and see whether the competition—

Interjection.

Mr. S. Smith: Go and see whether the competition will in fact be very helpful.

An hon. member: Are you for that, Albert?

Mr. S. Smith: Let's see it overrun Greyhound.

Hon. B. Stephenson: Speak to your colleague, speak to Albert.

Mr. S. Smith: Why does it pick as the first bus line that is going to be overrun the one that belongs—

Hon. Mr. Davis: Stuart, you are priceless.

Interjections.

Mr. S. Smith: Well, I wonder though whether there is a price for the Premier; that's the question. I may be priceless but he may not be.

Hon. B. Stephenson: Shame.

An hon. member: You walked into that one.

Hon. Mr. Davis: On a point of personal privilege. I assume the member for Hamilton West is suggesting that there was something improper in my activities or those of a minister of the Crown as they relate to this particular decision.

Some hon. members: Oh, oh.

Mr. S. Smith: I didn't say that.

Hon. B. Stephenson: That is exactly what he was suggesting.

Hon. Mr. Davis: That is exactly what he said.

Hon. J. R. Smith: Withdraw.

Mr. Eaton: Withdraw.

Hon. Mr. Davis: I say, Mr. Speaker, the hon. member should apologize—

An hon. member: Sit down.

Hon. Mr. Davis: —and apologize immediately.

Mr. S. Smith: I didn't say that.

Hon. Mr. Davis: Come on, be a man.

Mr. S. Smith: Mr. Speaker, the Premier referred to me as priceless and I suggested there may or may not be any price for him at all. The term I should have used for him—

Interjections.

Mr. Deputy Speaker: Could we have some order please?

Mr. S. Smith: The term I should have used for him was valueless. If I'm priceless, he is valueless.

Hon. Mr. Davis: Come on. I know exactly what you said and I know exactly what you intended.

Mr. S. Smith: Well, that's very interesting.

Mr. Deputy Speaker: Order, please.

Mr. Conway: Well, what did the Premier intend?

Hon. B. Stephenson: Just because the member for Renfrew North might behave that way, it doesn't mean that everyone else does.

Mr. Deputy Speaker: Order, please. If the hon. member for Hamilton West will direct his questions and his remarks to the Chair—

Mr. Sargent: Tell that to the Premier.

Mr. Deputy Speaker: —there will be less chance of the Premier intervening.

Hon. Mr. Davis: I agree with you, Mr. Speaker.

Mr. Deputy Speaker: Thank you.

Mr. S. Smith: Mr. Speaker, I certainly did not mean to cast any aspersions on the honesty of the Premier.

Mr. Roy: That is not our style, you know that.

Hon. Mr. Davis: What do you mean, it is not your style?

Mr. Roy: That is not our style and you know it.

Mr. S. Smith: I would point out to you then, Mr. Speaker, that what we have is a situation where somehow or other there has been a radical departure in the Ontario Highway Transport Board and what I have to ask you, Mr. Speaker—

Interjection.

Mr. S. Smith: —is how we are to assess why it is that the Ontario Highway Transport Board has now been accused by the Minister of Transportation and Communications of having failed to consider vital data—

Hon. Mr. Snow: That is not right.

Mr. S. Smith: —namely, the effect that this might have on the small towns—

Mr. Deputy Speaker: The hon. member's time has expired.

Mr. S. Smith: —and the effects that this might have on the financial viability of Gray Coach. The decision must surely be overturned by the cabinet.

Mr. Roy: You like to talk about flip-flops, the Premier looks bad on this one.

Mr. Philip: It is a pleasure to speak on this issue, which is not only of vital importance to those who use Gray Coach and Greyhound Lines, but also the taxpayers who are concerned about the possibility of picking up the cost of a decision for an experiment which is of questionable value.

The real issue in this recent fiasco is not one of personalities, it is one of policy. In this case the real issue is not that the government has changed its transportation policy, as has been alleged by some members of this House, but rather that the government has failed to develop a clearly defined policy.

[4:00]

It is quite apparent to those of us who served on the select committee on the transportation of goods that much of the criticism we heard against the transport board has little to do with the quality of the decision-making per se and more to do with the fact that the transport board is making decisions in a policy vacuum. In fact, not only is there a policy vacuum, but there is also a communications vacuum between the transportation ministry and the transport board.

We know that the transport board has been making decisions that it clearly has no authority to make. The fact that the chairman of the transport board periodically issues temporary operating authority to transport companies is a clear example of where the board, in a vacuum of direction from the ministry, has taken authority that was never given to it by the government or by the Legislature.

What is clearly needed is a statement by this government as to whether the transport board is an administrative or a judicial body, or a combination of both and in what combination. What is clearly needed is a well defined transportation policy for Ontario, and this policy we feel would have as a central principle, the principle of cross-subsidization. This is the principle that is accepted throughout North America and a principle that was accepted by the transport board in its famous decision in 1961.

During the last Transportation estimates, the minister boasted that Ontario had one of the best systems of primary and secondary roads in the world. We frankly don't agree with that. We don't think that it has one of the best. We think that it has the best. If this, in fact, is the case then it is all the more reason why this government must be blamed for not developing an integrated, public passenger transportation system in this province. People are often amazed at the fact that we don't have the public transit or rail systems that are evident in Europe. The alternative is not rail or nothing, the alternative and the problem we face in Ontario is to use what we do have, namely the excellent highway grids, and to develop a public transportation programme in which bus service would be a major cornerstone. The government has failed to do this and the result has been the kind of fiasco that we have today—the possible loss of jobs, the loss of service, and in the government's case, the loss of face.

Mr. Deans: Never in history has it been proved.

Mr. Philip: Why has the government failed to develop the kind of bus service here in Ontario which would be equal to German rail system, especially when it takes credit for developing the infrastructure.

Were this done I suspect the Gray Coach drivers would not be worrying about losing service. In fact, many communities such as those in northern Ontario which now complain of inadequate service would be serviced, and there would be more driver jobs than now exist.

No one can blame Mr. Shoniker if he changed his mind from 1961. In the vacuum of direction he did what he thought he had to do. He acted as though he were the cabinet. There's no clear indication in the minister's statement on December 8 that the government has any clear policy on people transportation. I assumed when I read the statement that the minister was giving the transport board some guidance. In reviewing it, this is not the case. When I called the ministry and asked for a copy of the terms of reference or the directions which I assumed he would have supplied to Mr. Shoniker, I was told that none were given. The Public Commercial Vehicles Act and The Public Vehicles Act have few clues about what public necessity and convenience are. Statements by the government have never cast any light on this. The board has not been required over the years to issue written reasons for all its decisions, so one cannot even find out from the transport board.

The fact is, then, that section 17 of The Highway Transport Act—and under which this review will take place—does little either to clear the muddy waters and give us any kind of direction or give the transport board any kind of direction on which to judge this case.

If the Energy Board were asked to make decisions affecting the distribution of energy without guidance, everyone would be horrified, but by tradition, by the failure of successive Ministers of Transportation and Communications to show leadership, the government is now expecting us to swallow this kind of sloppy decision-making in the case of passenger bus transit. The government's failure to act is also evident in that it has made no decision to allow Gray Coach to carry on with its traditional service until the review has been completed. How much of the taxpayers' money will be wasted in the interval at this time when this government talks about austerity? It is time for the cabinet to act like a cabinet and for the transport board to act like a transport board and not vice versa.

Mr. Deputy Speaker: The hon. member for Grey-Bruce.

Hon. Mr. Snow: I thought I was going to have the opportunity to speak for my party?

Mr. Deputy Speaker: You can if you wish. I was waiting for you to stand so I could recognize you. The hon. member for Oakville.

Hon. Mr. Snow: I am glad you remembered where Oakville is, Mr. Speaker. I would like to—

Mr. Deans: You have bus service there, too.

Hon. Mr. Snow: We have an excellent bus service run by Gray Coach, too, under contract.

Mr. Deputy Speaker: Order, please. Everybody will have an opportunity to participate. The member for Oakville has the floor.

Hon. Mr. Snow: I would like at this time to clarify my position in what has become a very highly emotional issue regarding the granting of three certificates of necessity to Stock Brothers Bus Lines of Markham, Greyhound Lines of Canada and Eastern Canadian Greyhound. The three certificates of necessity granted them direct route rights

between Metro Toronto and Barrie, Metro and Sudbury, and Metro and the Niagara frontier respectively.

To begin with, I want to reiterate what I said in my statement to this House a week ago today. The certificates were issued only on the basis that the public's interest should come first. I believe, as I did then, that the sole reason for the issuance of these certificates was to provide the public with adequate service. Not only should it be adequate but it should encourage Ontario travellers to use buses and not discourage them simply because express routes are not available.

I don't believe I should have to remind this Legislature that buses are our most economical users of energy and that it is in everyone's interest to encourage bus ridership. Nor should I have to say that the witnesses at the Ontario Highway Transport Board's hearing expressed a strong definite desire for express service.

On top of that kind of evidence which, I remind the House, was not countered by contrary witnesses at the time, I have received numerous telegrams and letters from northern Ontario municipal leaders, residents and even union officials, substantiating this desire.

With reference to those hearings, which were carried out over seven full days of hearings before two OHTB members, there was more than adequate opportunity for executives from Gray Coach or the Amalgamated Transit Union as well as the general public to express their opinions.

I can honestly say I am still convinced, on the basis of the evidence put before and reviewed by the board, that the board's decision was correct. The decision, regardless of what members have been told, is not a radical departure from our transportation policies.

For example, between Hearst and Thunder Bay, Grey Goose and Greyhound are in direct competition and they continue to exist. There is a similar situation between Toronto and London where Charterways, Gray Coach and Greyhound are in competiton. Between Sault Ste. Marie and Wawa, Greyhound—

Mr. S. Smith: Another major urban service.

Hon. Mr. Snow: —and the Ontario Northland operate on the same route. Between Oshawa and Toronto, both Gray Coach and Voyageur travel the same route—I suppose nobody rides between Oshawa and Toronto.

Mr. S. Smith: Nobody cares about commuter routes.

Mr. Deputy Speaker: Order, please. The hon. member for Hamilton West has spoken in this debate.

Hon. Mr. Snow: The route between North Bay and Toronto is covered by both Gray Coach and the Ontario Northland. There are several more but I would not take the time of the debate to list them. I therefore cannot understand why Gray Coach cannot live with competition, as outlined, when the three certificates of public necessity and need were granted.

Mr. S. Smith: The Treasurer (Mr. McKeough) knows it. Ask him.

Hon. Mr. Snow: To put it another way, if a bus company which has operated for so many years cannot keep its ridership the first time some competition appears, and according to the statements appearing in the media that is what is happening, then it couldn't have built up a very dedicated ridership. If those statements are in fact true, then perhaps the Ontario Highway Transport Board's decision was correct. There was a need for adequate service.

Mr. Kerrio: That isn't what the Minister of Transport says.

Hon. Mr. Snow: I can only repeat that I see no radical departure from our policy when the OHTB provides for this kind of controlled competition and when it offers the residents of Ontario, and in particular in the north, a wider choice or more adequate service, as you prefer.

My personal philosophy, as you know, Mr. Speaker, is that competition is good for the consumer. I do understand the concern for the dollar position of Gray Coach and the resulting total effect on the company's drivers and other employees as well as on the residents of smaller communities who could be left without service, should routes be abandoned. But why didn't Gray Coach executives express these concerns which involved their operations at the OHTB hearings?

Mr. S. Smith: They did.

Hon. Mr. Snow: No one to my knowledge has come forward with any explanation on that subject. It was my concerns—and, yes, the sudden emergence of these concerns—that prompted me yesterday to request the OHTB to further review this case on the basis not only of its effect on the possible reduction of service between many communities, but to explore all the available alternatives.

Mr. Conway: Including politics.

Hon. Mr. Snow: As well, I have requested that the board study the real effect of the Gray Coach operation, including those points brought up by the Amalgamated Transit Union. However, I must remind the Legislature that the chairman of the OHTB makes specific reference to the limited fiscal information that Gray Coach executives were able to bring forward at the hearings back in April.

I understand that in the past month—in fact as far back as 1973—the TTC management has given more than cursory thought to the possible sale of the entire Gray Coach operation. I am led further to believe that a number of months ago the TTC commissioned a study to evaluate the future of Gray Coach. While I am not aware of the results of this study, I would have to assume that any such study may have been initiated because of the possibility of a sale, and that it would have taken into consideration such matters as its effect on its drivers and their futures. If this information is available, why wasn't it brought to light at the hearings or at least before the certificates of necessity were approved?

I personally want to have the opportunity to meet with the TTC officials, with the Gray Coach officials, with Greyhound officials, with the board of directors of the Motor Coach Association, and with the members and executive of the Amalgamated Transit Union, both local 113 and the Canadian representatives. In order to do this and not to appear to be hearing evidence out of court, as one might say, I propose to hold these meetings personally in the next few weeks and to make my recommendations to cabinet. I will refrain from sitting on the legislation committee, of which I am a member from cabinet, when the appeal of the Ontario Highway Transport Board decision is considered by that committee.

Mr. Conway: That is a double twist.

Mr. Good: We said a week ago you shouldn't.

Hon. Mr. Snow: I realize that it is very difficult for the hon. member from Hamilton, East, I believe it is, to make any remarks without bringing in innuendo.

Hon. B. Stephenson: Or for Renfrew North.

Mr. Laughren: Hamilton West.

Hon. Mr. Snow: Hamilton West, I'm sorry. I am very disappointed he should have suggested in his remarks, as I took it anyway, that for some reason since I became minister of this ministry I would appear to have instructed the Highway Transport Board to take certain actions that they may not have taken before.

Mr. Lewis: I don't think that's true.

Mr. Reid: He didn't say that at all.

Mr. Conway: You weren't here.

Hon. Mr. Snow: At no time did I discuss this application with the chairman or any member of the Highway Transport Board nor do I discuss any other applications that are being heard before the board. I may discuss an application or a result after a decision is made.

[4:15]

I might say I had a visit between three and four weeks ago from the executive of the TTC and the Gray Coach Lines, and, I might say I refused, on behalf of them, to make any recommendations or suggestions to the chairman of the board until such time as a decision was made and I will continue to take that stand.

Mr. Sargent: Very briefly, the minister should resign. This is the biggest train robbery since Hydrogate—the Moog and Davis hotel here.

Mr. Deputy Speaker: I would caution the member not to use excessive language.

Mr. Sargent: You can keep on cautioning. I'm speaking from the chair as much as you.

Mr. Deputy Speaker: I'll caution you, and I'll even dismiss you if you persist in doing so.

Mr. Sargent: You just try it and see what happens. This is still a free country. We have enough people here protecting the government now. We have here—

Mr. Deputy Speaker: Order. Will the member take his seat.

Will you take your seat?

Mr. Sargent: I will think about it, yes.

Mr. Deputy Speaker: If the member thinks he's going to threaten the Chair, he's got another think coming, because I don't threaten very easily.

Mr. Sargent: Don't threaten me then.

Mr. Deputy Speaker: I will caution you to abide by the rules of the House and not use excessive language, because if you persist in

doing so you will be dismissed from the chamber for the rest of the sitting.

Mr. Sargent: Mr. Speaker, will you define excessive language, please?

Mr. Deputy Speaker: Excessive language is anything that imputes motives, anything that is apt to cause grave disorder in this House and I'm not going to permit it. I just want to warn you of that fact right now.

Mr. Sargent: Mr. Speaker, anything I may say is in the records of this House, in the report of the select committee hearings on Hydro, and if it's in that report I can use it tonight in this address to the House.

We have here the documents from these hearings—a certificate before the board from their representative Mr. Goodman, the top adviser to the Premier. For 32 years he's been steering and writing the scenario here at Queen's Park. We have John Robarts—

Mr. Lewis: He has not done badly.

Mr. Sargent: —and a former member of the cabinet, Mr. Clement, involved here. These things are factual.

Hon. Mr. Snow: Mr. Speaker, on a point of order. I would ask the hon. member to say in what way Mr. Clement—

Mr. Deputy Speaker: There is no point of order. I have listened very carefully to the debate, there's nothing out of order, so there is no point of order.

Hon. Mr. Snow: He's misleading the House.

Mr. Deputy Speaker: You cannot accuse another member of misleading the House. You'll have to withdraw that.

Hon. Mr. Snow: I withdraw it. He certainly wasn't intentionally misleading the House.

Mr. Deputy Speaker: You cannot accuse another member of misleading the House, you just withdraw it.

Hon. Mr. Snow: I withdraw, Mr. Speaker.

Mr. Deputy Speaker: Thank you.

Mr. Conway: At last. At long last.

Mr. Sargent: We have the report from the cabinet meeting yesterday, and this is a dodge of the cabinet, it's a stall. They're bailing out a leaky boat and they say that they're going to review this. I say to you, sir, and mark my words, we have a fait accompli now; the buses are running and they're carrying passengers.

We have seven people on this Highway Transport Board, and only two members sat in on the hearings, the chairman and Mr. Stoddart. I suggest to you that this is a sellout to the American interests—owned 60 per cent by Greyhound, based in Phoenix, Arizona—of a system that belongs to the taxpayers of Ontario. It isn't the government's, it isn't the Highway Transport Board's, it belongs to us. What's the motivation here?

The word gets to Mr. Goodman, the chairman, that there's a chance that it could be up for grabs, so he probably makes a deal. What's his fee on this thing? A $20 million deal, is he making $1 million commission on this deal? That's motivation—selling out the interests of the people of the province of Ontario, that's what I'm talking about. That is a big train robbery, especially when train service is closed down in my area, you're closing our hospitals, closing our arenas, and now you're taking away our bus system.

What it means to Owen Sound—it is a very diabolical thing that the minister can sit here and let people who have the keys to the Treasury make a million bucks or so commission on the deal. That's what I am concerned about. It's time somebody started telling the truth in this province after 32 years.

Hon. B. Stephenson: They certainly won't get it from you.

Mr. Sargent: I'll get you in a moment, hotshot.

Hon. Mr. Davis: I don't know how you people can laugh at him; you ought to feel sorry for him.

Mr. Sargent: I see. We'll see, Mr. Premier.

Mr. Cunningham: Do you have a licence on pride?

Mr. Sargent: We have a beautiful parallel here, Mr. Speaker.

Interjections.

Mr. Sargent: We have a parallel here. We have Mr. Goodman; we have Mr. Robarts; and Mr. Clement. Their mere presence before this board gives them a great plus. The parallel is the Premier of this province in Switzerland with Mr. Moog raising money for the Hydro building. That's a parallel. Their mere presence there gave them the commission, the right, or the approval of this deal.

Mr. Deputy Speaker: That's not a subject for debate this afternoon.

Mr. Sargent: It is a good parallel, Mr. Speaker. Thank you. I say now we have the acknowledged price of $20 million and if only $12 million of it is used, there's an $8-million loss. There may be $50 million worth of rolling stock at replacement cost. Where's all this going to happen here? I say it's a fait accompli but the picture's incomplete.

Let's talk about the man who engineered this deal—let's talk about that. He's a director of Cadillac Fairview which is 35 per cent owned by the Bronfman firm. The start of this major corporation was a few years ago when I first came into this House. Cadillac Development, of which Mr. Goodman was a director, had access to the Treasury here. As a result, I would suggest to you, a billion dollars or more has been steered to certain firms by this man, Mr. Goodman.

Mr. Philip: If you have evidence of corruption, why don't you present it?

Hon. Mr. Davis: You will say this outside, I guess?

Mr. Sargent: I certainly will. And you'll prove it's not true, will you?

Hon. Mr. Davis: I won't have to.

Hon. Mr. Snow: There will be others who will do that.

Mr. Deputy Speaker: Order, please. We are dealing specifically with the devastating impact on the bus service to smaller municipalities—as the result of a decision of the Ontario Highway Transport Board.

Mr. Sargent: Mr. Goodman's involvements with Wimpey; we are dealing with Wimpey and Mr. Goodman's involved in that. He's involved in almost every deal which has any money involved. He has access to the people who count here at Queen's Park.

And I say it's time the buck stops here. Time does not permit me to go into all the things I'd like to say here but the Toronto Star today says "Throwing Local Bus Service to the Hounds." That's the headline. It really should read "the Greyhounds."

Hon. B. Stephenson: Did you write it?

Mr. Sargent: I say, in conclusion, that the Premier should think again for the sake of Ontario's smaller communities.

He should be less concerned with promoting the profits of Greyhound. He should give Gray Coach back the lines on which it can make money so it can continue to operate in the smaller communities of this province.

I suggest, in closing, that there should be some way because of the blatant conflict of interest of a group of men like this who have the keys to the Treasury here—I could document cases right now of things happening in this connection, such as getting Hydro lines through, development roads through, et cetera for Cadillac Fairview. There should be some way by which this man should be barred from doing business with the province. That's my submission to you today.

Mr. Angus: My remarks will be reasonably brief. First, I would like to point out, as a northern member, that while we appreciate getting better service—and Lord knows we need it in all sorts of areas but particularly in transportation—it's ironic that it's at the expense of small southern Ontario communities. We don't agree with that. We believe expansion and improvement of services should be done across the province, but not to the detriment of any one community or any group of communities, whether it be in the north or in the south.

I don't believe this situation would have occurred if there had been a comprehensive transportation policy for this province. I think that if the goals of this government were down in black and white in terms of providing services—and I mean services in terms of quality as well as quantity—then we wouldn't have this debate today. We wouldn't have the Minister of Transportation and Communications in the press every day saying something and then something else again.

I think one of the things that has become very apparent, and I look on my experiences with the select committee on the transportation of goods on the highways, is the role of the Ontario Highway Transport Board and its relationship to the government, to the ministry. I think my colleague, the member for Etobicoke, expressed that quite well in his leadoff.

I think the Ontario Highway Transport Board in all its dealings should take into account, not just evidence that is placed before it, but should be looking at the total aspect of that route or that group of routes or the actual service record and attitude of the companies involved. Instead of just accepting what Greyhound told them—as I assume most of the municipalities and representatives all over Ontario did with their response to the minister—instead of accepting it at face value and chiding the Gray Coach operation for not providing the kind of material that would help to win their case or to emphasize

their case, the Ontario Highway Transport Board should have gone looking. They should have taken the whole broad scope of the situation to find out exactly what is happening in transportation. They would have to do that because there's no transportation policy per se to fall back on.

Hon. Mr. Snow: Gray Coach isn't really a defenceless outfit that has no lawyer.

Mr. Angus: That is an interesting comment, because one of the things we looked at with respect to trucking in this province was the whole situation of lawyers versus lay people going before the OHTB. We found evidence that suggested that even lawyers were having difficulty in understanding what the rules were and how it was played. I think that that just gives stronger reasoning for a revamping of the OHTB and its responsibilities. I hope that what the minister has directed the OHTB to do is exactly this—not in two specific areas but across the range—and I hope too that there will still be the opportunity for appeal to the cabinet whatever decision the OHTB reaches; no matter which way they decide I hope the other party will have the option of appealing to the cabinet.

One of the items that my colleague from Etobicoke referred to was the communications problem. I was in receipt of a resolution from the city of Thunder Bay a number of months back indicating that they were supporting the Greyhound application. I looked at it; they had asked me to respond but it was one of the few I did not respond to.

I talked to some people who indicated to me that, yes, it loked like a good idea. But I'll be very honest. I did not have the information as to who the competition was, if there was any, or what effects it would have on other communities or other routes of the competition. I respectfully suggest the municipalities that responded by telegram and letter to the minister indicating their support for Greyhound and those who were brought to Toronto to the hearings of the Ontario Highway Transport Board were given a one-sided picture. They were given a PR pitch by Greyhound. Whether Gray Coach did not have the expertise or the talents or the finances to make the same kind of approach I can't say.

Hon. Mr. Snow: You don't really believe that, do you?

Mr. Angus: You may, I'm not sure. You don't?

Hon. Mr. Snow: No, I don't.

Mr. Wildman: You've already made up your mind though.

Mr. Angus: You don't, well. My purpose in pointing this out is that—again addressed to the role of the Ontario Highway Transport Board—if municipalities are being asked to comment on a route change, whether it be for bus transportation, airline transportation or what have you, the information should come from the quasi-judicial body, the Ontario Highway Transport Board, indicating the pros and the cons as presented by the parties. Only then should a municipality be requested to indicate its preference to the Ontario Highway Transport Board.

[4:30]

Mr. Wildman: In other words, they should do some work, too.

Mr. Angus: That's right.

In conclusion, I think one of the areas of responsibility for this problem falls on the shoulders of the Gray Coach system. In conjunction with the Ontario Highway Transport Board they should have been instructed to provide the quality services which seem to be lacking in certain areas. In order that the existing routes could be upgraded for the individuals residing in many communities—I'm impressed when I look at the map of their service area; heaven knows, we wish we had that kind of network of roads in northern Ontario let alone the buses to travel on them. I think they should have been instructed by the transport board to upgrade their facilities before any consideration would be given to the granting of another licence.

That almost winds up my comments. I would like to add that this morning I received the following telegram:

"We strongly protest action of Ontario Highway Transport Board, November 22, 1976. Such licensing to Greyhound can only curtail Gray Coach operations and ultimate loss of jobs for Canadian employees. Charles Parsons, President, Local 966, Amalgamated Transit Union, Thunder Bay."

Mr. Drea: The thrust of Ontario's transportation policy must demand that the movement of people and goods be considered a public utility. The overriding need, necessity and convenience of the consumer are so paramount they are the only legitimate criteria for the licensing of public carriers. No matter how motivated, no matter how entrenched, a transportation policy which condones, encour-

ages or perpetuates monopoly is a sham at the expense of the people.

Mr. S. Smith: Darcy doesn't think so.

Mr. Drea: Monopoly breeds contempt of the legitimate needs of the public, inflicts the permanency of the substandard upon them and stifles any initiatives toward improvement.

Mr. Kerrio: Are you describing Hydro?

Mr. Drea: The thrust of Ontario's licensing policy has been—

Mr. Wildman: What about the Greyhound monopoly between the Sault and Sudbury?

Mr. Drea: —a simple response to that public need and necessity, a flexible system which promotes competition, stimulates innovations and adjusts to economic, social and developmental needs.

That policy was underlined by the select committee report on the highway transportation of goods. On Monday, there was not a speaker, not a dissent, not a murmur against the recommendations that would mean vastly more competition on the highways; there was not a single protectionist voice, not one, not a dissent from that report.

If such a policy is needed to give the consumer of goods the right to alternatives and choices, then it defies logic to say it should not equally apply to the movement of people. What is right and proper for the most efficient way to move goods surely is even more essential for the movement of people? Naturally, stability of the carrier is essential if the highways which constitute the public utility are not to revert to an economic jungle where the power of the balance sheet determines who will have the opportunity to operate.

The particular concern we face today is the public anguish of Gray Coach Lines in its efforts to stave off a bid by Greyhound Lines to compete on two highway routes, Toronto-Sudbury, Toronto-Buffalo. The argument advanced is that Grey Coach is decimated as an entity because it cannot meet the limited—and I emphasize limited—competition from Greyhound.

There are threats and innuendos that the company will literally be sold at auction, a distress sale which will yield only the value of equipment. There is the implication it will have to abandon its outlying runs, particularly in central Ontario. Its drivers are convinced that more than 200 of them will lose their jobs.

Mr. Philip: Now you've got to the problem.

Mr. Breithaupt: That is what they say.

Mr. Drea: Gray Coach management, in an effort to absolve a series of blunders which constitute a corporate death wish, has deceived and used its employees in this matter. After enjoying the monopoly on these routes for decades and supposedly faced with extinction, Gray Coach has not promised the public a single improvement on the Buffalo or Sudbury runs; not to mention the Orillia, Barrie, Toronto run where the competition of Travelways has been authorized.

Mr. Haggerty: Oh, now be careful.

Mr. Drea: The only improvement has been a hostess bus, promised a year ago in November and brought in in June; but it is at premium rates, it is not on the regular service.

Mr. McClellan: It costs $2.50 a ride more.

Mr. Drea: This from a company that did not call a single public witness to the prolonged hearings of the Ontario Highway Transport Board—not a customer, just three officials.

Mr. Wildman: Do you want to give them a call? Maybe they changed their minds.

Mr. Drea: This from a company that did not disclose its financial picture—in the words of the board, "did not see fit to file a financial statement"—not a figure from a public carrier of this size. This from a company that is responsible for the operation of Toronto's biggest eyesore, the bus terminal at Bay and Dundas, even when confronted with the offer by Greyhound to join in building a new modern terminal with Gray Coach, or failing that to spend $11 million for its own new Toronto Greyhound terminal.

Incidentally, on the other route, Travelways will build a new terminal at Barrie. There has been no response from Gray Coach.

Where has Gray Coach been in all of this? Where is the management of a company that after being confronted with 70 public witnesses didn't even bring one of its drivers to say what a good service it had? Where is the management? What kind of a senior management warns of layoffs of drivers, total losses of revenue, when it can still operate on a route? And this is the management that when it abandoned school busing routes a short time ago, gave as its excuse the chronic shortage of drivers.

But enough of the record. We are not here to justify or concur in the decision of the Highway Transport Board, that is the role of the cabinet. But what is significant is what

can be done about Gray Coach. This is our responsibility, Mr. Speaker, for we created Gray Coach through decisions of authority. We have allowed Gray Coach to become the milch cow of the Toronto Transit Commission. It is a company without a single employee; right down to the paycheque they are TTC employees. It is a company that must rely on the TTC for mechanics, repair services and maintenance, and there's a transfer of funds.

There is some interesting accounting involved in all of this, but I leave it to the special review that is going on to determine that.

Mr. Philip: Analyse it, Frank.

Mr. Reed: You know better than that, it isn't true.

Mr. Drea: In the light of its failure to produce financial records and public statements that constitute corporate terrorism against both its drivers and its customers, let's look at some Gray Coach operations.

Mr. Lewis: Corporate terrorism?

Mr. Drea: Its services within all of Peel region, virtually all of York region, Toronto-Oshawa, Toronto-Hamilton, make a guaranteed profit of 15 per cent. Those services are operated under contract to the Toronto Area Transit Operating Authority, and that calls for a payment of cost plus 15 per cent. One third of the drivers and equipment, one quarter of its revenues come from these routes.

Mr. Reid: So what?

Mr. Drea: But an indication of the awesome overhead of Gray Coach is that it charges government $27.52 an hour for this service, while Travelways, under the same cost plus 15 per cent, charges $16.50.

The excuse given is that Gray Coach drivers make more. The men in this gallery know they don't make $11.02 an hour more than their counterparts on Travelways. Thus the taxpayers in Ontario are paying an extra $2 million a year to keep Gray Coach in this part of the bus business. Surely the taxpayers and customers are entitled to ask what is going on, when Gray Coach tells the media it would have a $700,000 profit this year, when the fact is it hasn't provided its parent, the TTC, with a cash profit or a dividend since 1973?

Mr. Sargent: They made $500,000 last year.

Mr. S. Smith: You are darn right, and they are keeping the money to build the terminal.

Mr. Drea: Something is terribly wrong with the senior management when it abandons the York Mills-Malton airport route as a financial disaster and a private operator turns it around in one year to a break-even service.

Within three years Gray Coach will be the only wholly-owned subsidiary of a municipal bus line on highway routes. One of the things that wasn't brought up by the member for Hamilton West is that on this very day the Hamilton Street Railroad is entering into the final phase of legislative authority whereby Canada Coach will devote, on a phasing out operation, more attention to the Wentworth region.

Mr. S. Smith: They are losing money on the other.

Mr. Drea: It's been in sadness rather than anger I have dwelt on the record of senior management of Gray Coach Lines. I for one am very proud of publicly-owned companies in this provnce.

Mr. Reid: After all that?

Mr. Lewis: Except for their corporate terrorism, they are okay.

Mr. Drea: The review of Gray Coach operations and finances by the Highway Transport Board will accomplish two substantial goals. First, it will put into the open the finances of Gray Coach, including why it is in such a fragile financial position. Second, it will put senior management under the glare of public scrutiny and make them answer the most damning indictment of all: Why are you prepared now to substantiate crippling revenue losses when you did not do so before? Why are you now begging for public support when you didn't bring a single customer to those hearings?

Mr. Haggerty: Is that Ontario Northland?

Mr. Drea: Gray Coach drivers through their union, should ask the same. They have the same rights as customers. One of the things I would like guaranteed, and I will do everything possible, is that there will not be a dislocation of employees. I do not believe the dislocation of employees is a price of change. It concerns me that the drivers union did not appear before the Highway Transport Board.

Mr. Conway: They can't.

Mr. Drea: Other unions do; oh yes, they do. The Teamsters do and the CBRT do,

both for applicants and respondents. In this case, the union did not. I would certainly hope that in the future, and particularly in this hearing, the union makes a very active response because the union knows what is going on with the senior management of Cray Coach.

A spinoff from all this is the confusion surrounding it. Commuters to York region now find they cannot take—

Mr. Deputy Speaker: The hon. member's time has expired.

Mr. Conway: So has he.

Mr. Drea: On that note I will end, with the admonition that when I talk of public need and convenience I am talking for the absolute retention of the Gray Coach drivers in that type of commuter service.

Mr. Stong: Mr. Speaker, earlier this afternoon in this debate we heard the Attorney General describe some of the positions held in this regard as nonsense. He described certain members of the House as riding roughshod over what he said was a system —the system of justice. But the Minister of Transportation and Communications, in approving the order of the OHTB, has done something which in my mind cannot be described as roughshod but which I describe as a flagrant abuse of the legislative process.

I regard it a personal affront to myself and probably other individual members of this House. In depriving us of the responsibility to which we were elected by his accepting this decision and approving it, and in fact acting on it at a time in our country when there is fear of separatism, and by his selling out to a foreign company, his actions are completely unacceptable in my mind. Perhaps the situation as it exists today, the situation of minority government which exists in Ontario, is finding its mark. This type of situation such as the usurpation by the OHTB of the legislative function will have to be stopped, and this is as good an issue to stop it as any.

I find the minister's remarks in the House earlier today a radical departure from what he said on November 30 when he made his comments in the House indicating his approval of the OHTB decision. In introducing this decision and the fact that he had granted approval of the granting of the licences, he said: "Included with the certificates will be the carefully-thought-out and documented reasons why the members of the board reached the decision they did"—carefully thought out and documented reasons. He concluded by saying: "Finally, I can tell this House that I have thoroughly and in good conscience reviewed the reasons for the board's decision and I am, therefore, approving all three certificates as they were recommended by the Ontario Highway Transport Board."

Today we heard the minister indicate he is asking the board to review its decision despite this carefully documented—

Hon. Mr. Snow: That is not right.

Mr. Stong: —sending it back for review, is the way I understand the minister's position.

Hon. Mr. Snow: I did not ask them to review their decision, I want to make that plain.

Mr. Stong: He's asking that this matter be reviewed after it's been well documented, carefully thought out and he in good conscience accepted it, despite the fact that the Legislature played no role in this entire episode.

Mr. Reed: The groundhog got too far from its hole.

Mr. Stong: The minister indicated that it was in the public interest that this decision be made. I might say that the OHTB, as I understand the legislation creating that body, has the power to call Gray Coach before it, and say; "Look Gray Coach, you're not doing a good job in this area and that area, shape up." But that was not done and the Gray Coach is owned by the people of Ontario indirectly.

I would have thought that the primary duty of the OHTB would have been to call the Gray Coach before it for an accounting and there is absolutely no indication or evidence of that having been done.

As one of the members from the Toronto region I'm also concerned with another aspect of this. I know that the debate covers the devastating effect on the smaller communities of Ontario, but we must direct our minds to those jobs that can and will be lost if this situation persists.

I understand that there are as many as 240 jobs at stake, that's the information I've been given. If that is so, setting aside the fact of seniority, loss of position, being replaced or having to be initiated in a new job; setting those concerns aside, the fact of the matter is your honour—I mean Mr. Speaker, I'm used to saying "your honour."

Mr. Conway: He is honourable indeed.

Mr. Stong: Mr. Speaker, I haven't extricated myself from the courtroom yet.

Interjection.

Mr. Stong: The fact of the matter is, Mr. Speaker, that if this situation persists, the jobs in Toronto of Gray Coach drivers are in jeopardy—very much so—and they've concerned about that situation. I'm advised as well that even as early as today, in view of the fact that the lines have been extended the union based in Buffalo is making motions to fill those jobs that will become available by American drivers.

Mr. S. Smith: That's right.

Mr. Stong: What is going to happen in Winnipeg, when the route out in that area is used? The Winnipeg-based drivers will take over the jobs and what's going to happen to the Toronto drivers? Up to 240 jobs could be lost in selling out to an American outfit.

It seems to me, as I indicated at the outset, that perhaps minority government is working in calling this government to take notice of the situation and protect jobs at a time when jobs should be protected, particularly those based in this area, in this economic climate.

In conclusion, I would just like to say that the entire situation that has developed here in the granting of these licences is, as I indicated earlier, completely unacceptable. It's unfathomable that, at a time when the government of Ontario should be showing leadership in unifying this country, leadership in creating jobs and leadership in protecting jobs and creating more employment, it has turned to foreign interests to replace those jobs and that particular market. It is time that situation was corrected and now is the time to do it.

[Applause.]

Mr. Warner: One of the interesting parts about this whole debate and this whole issue is that in some sense I don't have to come here every day over the last few days and tell the government that it's made a mistake, because the people of Ontario are doing that right now. I know that and the government knows that in some sense that makes the job over here just a little easier.

I'd like to spend just a few minutes to talk about some of the things which have happened in my particular riding and a few minutes to talk about what I think is at the basis of this whole business.

I received phone calls, as I am sure many members did, from people in my riding who had an interest; that is, they happen to be transit workers. They are concerned about the possibility of losing their jobs.

I had calls from people who have been customers of Gray Coach who said: "I don't understand why government members are saying Gray Coach service isn't very good. I have enjoyed Gray Coach service. I think the drivers are courteous. I think the buses run on time. I think I have been well served."

I had calls from people concerned about our economic indepedence who say: At a time when we seem to be losing more and more control of our Canadian economy I would like to see a little more leadership by our government in making sure that we keep our businesses here."

When I spoke to people at the door, as I went around last weekend talking with various people in my riding, I had concerns expressed to me about how the process takes place. Someone said to me: "What happens if I have a complaint? If I have a complaint about the service in Gray Coach, what do I do? I have phoned Gray Coach but that doesn't mean that I get a satisfactory response."

The process, as I understand it, is that one should send complaints to the transport board. If the transport board deems those complaints to be of sufficient magnitude, it will bring in the carrier, in this case Gray Coach, and discuss the issues, the complaints, and any possible way of improving the service or whatever the complaints happen to be about.

It seems to me that process is wrong; it's backwards. I really don't understand why we can't have a mechanism whereby a public carrier such as Gray Coach reports once a year to the transport board and says: "Here is what we have been doing. Here is what we are doing now and here's what we plan for the future by way of improvements in the service, by way of meeting customer needs, by way of extending our routes."

They are answerable to the transport board, surely, and the board is to the government. If the member for Scarborough Centre is going to tell me that it all relates back to the TTC and Gray Coach is nothing but a puppet of TTC—if he really believes that—surely there is a course of action through the municipal politicans? They have some voice and control and some power over what's occurring.

What I am saying is that we have a service which is politically answerable and if it is

not answering, we require some political pressure to make sure it does. I don't see anywhere in the material I have received or heard in the conversations I have had that the people at Gray Coach are unwilling to respond to requests; unwilling to be answerable to political pressures; or flaunting whatever responsibility they have; or ignoring government demands. I have never sensed that; perhaps the member has and, if so, I would appreciate hearing about it.

I think the process is backwards. I suggest that, through all of this, we revamp that process and we take an active part to ensure that Gray Coach will respond on a yearly basis and plan its service.

It shouldn't do that in a vacuum and that's the second part of the problem we face here today. Surely, what we need is an overall transportation policy, something which integrates the various forms of transportation—rail, plane, bus, the automobile, whatever. We must look at it as a total package. I realize the minister may come back and respond that we really can't do that in the province without federal initiative and federal involvement. Along those lines I agree but let's take some initiative and get the thing started.

Let's not end up with the possibility that the towns in rural Ontario are going to be left without bus service or—the alternative—that we end up subsidizing those routes. If we end up doing that, we are subsidizing those routes through public money so that an American corporation can take profit of those main routes. In my books that is wrong. I don't know how it sits with the government but in my books that is wrong.

Like others, I am concerned about the service because I think that is the first place one starts, that is the first consideration. What bothers me about the process that has gone on up to date is that I really don't sense that the transport board set that out as its primary objective, because if it had it surely would have investigated that service and not simply relied on whatever submissions were put in front of it. In some jurisdictions, boards which have hearings go beyond the material which is submitted at the hearings. They do some investigation on their own. They involve people outside of that transport board and people outside of those who have made the submissions. They take an active role in helping to develop the whole programme. That hasn't been done here.

I rise today, like other members, to protest the process which has gone on and to protest all of those possibilities which could happen. If there is one job lost out of this whole business I'll be back here and I will be saying again and again "that the government is wrong"; and if it won't change its mind, maybe the people in this province will decide to change their mind about who governs.

Mr. Villeneuve: In rising to take part in this debate, I do so because, having served as a member on the transport committee this year, everywhere we visited in this province people asked for better service. I should judge that the people in northern Ontario where the population is sparsely settled are entitled to get the best service possible. Therefore, I feel it is a rather strange thing that this company, Gray Coach Lines Limited, is stirring up such a fuss through the news media. I wouldn't want to see any man lose his job, but for a company that has carried over seven million passengers in 1974—and there was a substantial increase in 1975—since both these routes in total make up four per cent of that total of passengers carried, it seems rather strange to me that they can put forward an argument without any financial figures—

Mr. Warner: It is 38 per cent of revenue.

Mr. Villeneuve:—to back their argument that they are going to go out of business. That is very hard for me to understand. When I think of the people in Sudbury and elsewhere who come in from the western provinces travelling by bus, in particular elderly people who have to transfer, there is quite a change when they can stay in the same airconditioned bus with all the facilities and have it go direct, straightforward, right through to Toronto.

We had the same situation on train service—the hon. member for Cornwall (Mr. Samis) will know about it—in eastern Ontario, where we had a train change at Brockville. It was shameful to see elderly people who could not check their baggage have to carry it. Sometimes the train section from Ottawa was in the station before that. If they had three or four bags of luggage, they could carry only one or two at a time. They were nervous and excited. In spite of the conductor saying we are going to wait for you, these people were frustrated. I heard more than one say they would never travel by train again.

Mr. Samis: There is no American company in there.

Mr. Villeneuve: I am talking about service to Ottawa. I am not talking about interest or who owns it or anything else. There is a very substantial amount of Canadian finances attached to this Greyhound company too.

Mr. Philip: Run Gray Coach to Sudbury then.

[5:00]

Mr. Villeneuve: I have implicit confidence in the Highway Transport Board. I realize many of the decisions they make are not easy, but they have given everybody who wanted to appear the opportunity to appear, they've heard the evidence of 70 witnesses and they've come to the conclusion that on the evidence presented the public interest should come first. I don't think there's anybody on any side of this House who would argue with that.

It recognizes, too, that there are serious deficiencies in the current service offered on the route. It also found that Gray Coach Lines had not been fully aware of the unsatisfactory conditions arising from the transfer of passengers and their luggage at the terminals in question.

Greyhound operates into Sudbury from western Canada, and Gray Coach continues to run to Toronto. Until the introduction of the Hostess service in June of this year Gray Coach offered no express services to Toronto, except during the summer months. Of the total passengers between Sudbury and Toronto, 75 per cent are through passengers, and of these about 50 per cent have origins or destinations beyond Sudbury on the Greyhound route.

It is my contention that the board ruled in the best interest to give public service, and if a firm says that it's in danger financially by losing four per cent of its total business, I would have to see statistical figures to prove its case.

Mr. Speaker: The hon. member for Erie.

Mr. Haggerty: Thank you, Mr. Speaker. I want to speak in this particular discussion this afternoon and to support the leader of the Liberal Party on his views taken this afternoon. Perhaps there is no other member in the Ontario Legislature who uses a bus more often than I do, and I do travel back and forth from Fort Erie, sometimes Niagara Falls, to the Legislature here. I find that the service is exceptionally good, and to listen to the member for Scarborough Centre (Mr. Drea) leaves some question of doubt about the service. The terminal at the city of Niagara Falls is an excellent terminal; the buses run from Niagara Falls to Toronto every hour on the half hour, and that starts at about 7:35 in the morning and runs straight through to pretty near 10:30 at night. The return leaves Toronto to Niagara Falls every hour on the hour. Besides that there are five scheduled services running between Toronto and Buffalo. There may be two scheduled routes via the Lewiston Bridge. In the article in the Toronto Star of December 9, one of the persons from Smith Transport who appeared before the board stated that he wasn't too happy with the service to Buffalo. Perhaps he got on that bus route going to Lewiston which makes its connection in Buffalo for Cleveland, I guess it is, Pittsburgh, New York and Washington. So there is an exchange or stopover at the Greyhound bus terminal at Buffalo.

It is a good service and it is a profitable, money-making service for the Gray Coach Lines. Reading some of the different articles in the newspapers, and the comments from the minister, my main concern is about the unemployment situation that could arise from giving the Greyhound Bus Lines the rights to the franchise to travel over already existing good service in the province of Ontario, particularly from Sudbury to Toronto and from Toronto to Buffalo or Niagara Falls. I might also say about this trip from Niagara Falls to Toronto that sometimes there are about three buses that leave in that hour from Niagara Falls and pick up in St. Catharines; it's an exceptionally good, strong, healthy climate for bus service there. The only thing that's lacking in St. Catharines is that there should be a new bus terminal there close to the Queen Elizabeth Way, which would cut off about 15 or 20 minutes on the run to Toronto. Altogether it takes approximately two hours to get to Fort Erie, which is right next door to Buffalo. In Fort Erie the private enterprise system set up a new terminal with good seating accommodation for passengers to be picked up in Fort Erie by the bus from Buffalo. I often catch the bus there at 9:10 in the morning and I'm in here by at least 11 o'clock in the morning.

This through bus service that you're telling me is going to take place by Greyhound will leave Buffalo about 15 minutes earlier than the Gray Coach leaves now from Buffalo, picking up about 10 persons. Under the old schedule it would pick up about 10 persons in Fort Erie, go to Niagara Falls and pick up a full busload there, going on to Toronto with a full bus.

There's no mention here whatsoever about conservation of energy. These buses are going

to run half empty, which is one of the reasons I travel to Toronto by bus. I can't see driving more than 100 miles to Toronto with one person in a car. I think this is a point you should be looking at.

One of the other points I would like to mention is about the unemployment. I'd like to read this letter from a group of wives of the Gray Coach drivers, addressed to myself:

"We are four wives of Gray Coach drivers writing to you for your help.

"We were all transferred here to Fort Erie last April 1975 and were all agreeable to this move. Our husbands operate the Gray Coach service from Buffalo to Toronto. We found out yesterday, November 23, 1976, that Gray Coach lost their court case to Eastern Greyhound to operate service between Buffalo and Toronto, also Sudbury and Toronto. Our understanding of this is, Eastern Greyhound is strictly an American-owned company. Gray Coach is owned by the Ontario government" —I think that should be corrected—"We don't feel it's right that a judge has the right to give away work that is operated by the Ontario government. Our husbands have been told that Gray Coach will contest this ruling.

"Now, we would like to tell you what it means to us as the families of these four drivers. Of the four drivers transferred to Fort Erie, three sold homes in Toronto to move down here. All four have purchased homes here and are now settled in. We are now being forced into selling our homes and being transferred back to Toronto. With housing the way it is we are not in a position financially to now turn around and sell here and buy again in Toronto. We might add, we do not intend to go into apartment living with our children. Combined, we have 10 children involved who are all actively involved in school and community activities, more so than anything ever offered them in Toronto.

"Our husbands are now working on a eight-hour day as compared to a 12½-hour day and a possible two nights overnight in Toronto. This was a big factor in taking up this residency so that we would be able to have a family life to offer our children.

"All wives concerned upon moving back to Toronto would have to go out to work in order to maintain a house and, therefore, our children would have to be taken care of by someone else when we ourselves prefer to look after our own families."

This letter is from four bus drivers' wives, Mrs. Judith Lauder, Mrs. Muriel Ambridge, Mrs. June Mullin, and Mrs. Marg O'Brien, who are deeply concerned about the loss of employment their husbands might suffer through this transfer of busing rights over Ontario highways and in different communities in Ontario.

I'm also concerned about unemployment when it's now almost at a level of eight per cent and perhaps will continue to go higher. When I asked the minister on November 29th about the loss of employment, he kind of assured me there would be no loss of employment. I think things have changed now and there will be a loss of employment in busing in Ontario.

The member for Scarborough Centre also indicated there was a monopoly in busing service, and I think he's quite right in using that particular phrase. If I can expound on it, I think the whole crux of this thing is that there is a power thrust in this matter, getting control of the bus lines in Ontario. We've got the Power Corporation in Quebec, which presently runs the Voyageur bus line, and we've got Greyhound trying here to take over the profitable routes in Ontario. I suppose where Gray Coach operates, it's going to cause some difficulties.

I think the intent is to snow them under, to take over the exceptionally good bus runs here in the province of Ontario, and then eventually perhaps Gray Coach is going to have to sell out to one of them. If they do, they're going to sell at a loss. I feel that this is where the monopoly comes in. Once they get into this business of having the rights to almost every community in Ontario and every highway in Ontario for a franchise, then it is a monopoly.

You can rest assured when there is a monopoly the price is going to be right. As it is now the Ontario Transport Board sets the price rates for different buses in Ontario so there's no competition in this matter at all. The schedule rates are almost the same or on an equitable basis set by the board.

I'm not too happy with the decision of the Ontario Transport Board, but I think there's room for improvement. I think they could come back and take another look at the matter and allow the Gray Coach to continue. They are providing good service in the Niagara Peninsula and I would not want to see that taken away. There may have been some difficulties with the matter of transfer in Buffalo, but that's like any other business: if you're travelling by aircraft you have transfers; you have transfers by trains and so forth; so I don't think that any member suggesting that they have to change luggage is a good argument.

On this basis I support my leader in this position. I think the government should take

another close look at this thing and keep Gray Coach in operation in the province of Ontario. They are doing a good job.

Mr. Speaker: The hon. member for York South.

Mr. MacDonald: Mr. Speaker, I'd like to begin by referring back to the comments of the Attorney General this afternoon. He started out by welcoming public debate on this and then very vigorously opposed the proposition that we should have the debate this afternoon. That rather contradictory posture was perhaps not surprising, but his reasons are what I want to focus attention on.

His reasons were that we would be riding roughshod over something that is going to be discussed and reviewed—at the direction of the cabinet—by a quasi-judicial body. I want to suggest that argument is entirely specious. The issue this afternoon is not that this is going to be reviewed by the Ontario Highway Transport Board; the issue is what is government policy?

I was interested in the leader of the Liberal Party contending that there's been a reversal of government policy.

Mr. Cassidy: How could there be?

Mr. MacDonald: I don't know whether there's been a reversal because I don't know what the original policy was; nobody is particularly certain as to what the original policy is.

This is what I want to stress for a moment: If policy is, as suggested by what has happened in the last week, that you're going to cream off the profit by introducing competition on the profitable express routes, then I ask the question, where are you going to get the money to extend the service to those parts of the province that are inevitably going to be non-profitable but are entitled to service?

Implicit in what has happened is that your policy, if I can find it, is wrong. You're deliberately going to let another company come in and cream off the profit on those express routes from Buffalo to Toronto and from Toronto to Sudbury. This simply means that the Gray Coach, or any other company in a similar position, is not going to be able to extend its line out into the smaller areas of the province where they are entitled to have service too.

The minister befogged the issue once again. His comment with regard to why the decision was made by the transport board on this was that public need comes first. That's a rather narrow interpretation of public need; that there was a public need for more services there and Gray Coach may have not been giving the best possible service. I hope the minister is using public need in the broadest sense because if public need is going to come first then the profits from those profitable lines should be available to extend the service to Owen Sound, to Alliston, to Guelph, to any place you want across the province of Ontario.

Mr. Lewis: Just Alliston.

Hon. Mr. Snow: They were already cutting service in those areas before this decision.

[5:15]

Mr. MacDonald: Let me move to the next point—the relationship between a quasi-judicial body and the government. Let me tell the House of a rather memorable bit of testimony which we had before a select committee on the Ontario Municipal Board, conducted in this Legislature some four, five or six years ago. Some of our hearings were held in Winnipeg and we had before us the chairman of the Manitoba Municipal Board. He made the comment that if an issue ever came before the board for adjudication and they weren't certain what government policy was, they adjourned the hearings. He wrote to the government and said, "What is your policy in this area? Until I know what your policy is, I can't exercise my responsibilities."

The point is that the function of a quasi-judicial body is to interpret and apply government policy, not to make government policy. What we've had is an absence of government policy here or, at best, a very unclear statement of government policy. Therefore, the need is for something to be done in terms of clarifying that policy which takes me to my next and really my final and most important point.

How are we going to do that? Let me remind the minister of something I'm sure he's generally aware of. Over the last 20 years in the province of Ontario we've gone through many changes in terms of departments and ministries. We used to have a Department of Highways and the government saw fit to split off from the Department of Highways those non-highway aspects of the department and put them in the Department of Transport.

One of the terms of reference for that new department was that it was to do research in the development of policy. I recall many occasions in the early years of the 1960s when

we began to discuss the estimates of this new department within this Legislature and asked: "What are you doing in clarification of policy? What are you doing to co-ordinate and develop some sort of integrated transportation policy within the province of Ontario?"

In Ottawa a few months ago, when Jean Marchand was still the Minister of Transport, he made a comment which was somewhat indiscreet politically but, I suspect, dead true. He said the national transportation policy of this country was in a mess. He was right—and transportation policy in this province is in an equal mess.

Yes, it is. That's the problem. This government has a fragmented transportation policy and what it has engaged in in the last month or so is an action which is going to increase that fragmentation, it isn't going to integrate it.

Mr. Conway: Throw the rascals out.

Mr. MacDonald: I have a suggestion. I think it's about time we began to move toward an integrated, co-ordinated transportation policy. Perhaps we should start with the provision of bus services. Perhaps we should start with a policy which clearly indicates—as we have done with Hydro and every other public service—that when one can make profits in an area which is potentially profitable, those profits shouldn't be drained off to a competitor but should be used to extend that service.

My suggestion to the minister, if it doesn't ideologically shake him off his chair, is that if TTC is planning, as TTC is, to get rid of, to sell, Gray Coach the time has come for the government to move in and take over Gray Coach as a publicly-owned Crown corporation. The government can use it as the nucleus of the development. In the first instance, Gray Coach now has jurisdiction in the whole of central Ontario; the government can immediately co-ordinate it with the ONR and the bus service, which is part of the whole ONR structure.

Mr. Bain: Let the ONR take it over.

Mr. MacDonald: From that point forward it can examine whether or not Voyageur, which has eastern Ontario and is another major bus line, should be brought in. We would have a co-ordinated bus service to begin with and in the whole process the government could extend it's co-ordination and integration to involve railway, airlines and all the other forms of transportation.

Hon. Mr. Snow: I am not going to take over the airlines. They are already—

Mr. MacDonald: I'm not suggesting the government should take them over.

Mr. Foulds: What about norOntair?

Mr. MacDonald: It has already, in a fashion, taken them over in northern Ontario.

Interjections.

Mr. Conway: Airlines were a problem earlier.

Mr. MacDonald: I was interested in the comments of the hon. member for Scarborough Centre who was rather scathing in his criticism of the incompetence, and various other words which he used, of the management of Gray Coach, both in the operation of the system and in its handling of these particular hearings. I'm not in a position to come to a final judgement as to whether or not he was too harsh in his rather scathing comments, but if there is any question, as the minister obviously believes there is, that Gray Coach hasn't been doing a good job, all the more reason why Gray Coach should be not a subsidiary of an urban transportation system, the TTC, because the people in the north are likely right when they suspect a transportation system centred in Toronto is not really going to take into consideration the best servicing of its whole jurisdiction out beyond the metropolitan area.

That, I think, is an appropriate kind of jurisdiction and responsibility for the provincial government. Let it take over Gray Coach, make it a publicly-owned Crown corporation, make it the nucleus for the development in the first instance of the best possible kind of bus system, and through this ministry, which now has jurisdiction over all communication, develop a policy and state that policy clearly. In that whole process, not only will the government have better bus services, but it will clarify its relationships with the Ontario Highway Transport Board, so they wouldn't be doing the minister's job for him in the absence of his action, as has been the case down through the years.

Mr. Conway: Is the member for York North going to pitch in here?

Mr. Lane: Mr. Speaker, I'd like to take a few moments this afternoon to address myself to the situation that has developed since the Ontario Highway Transport Board approved the application of Greyhound Lines to operate over certain areas of the province that at present are served by Gray Coach.

Having been a member of the select committee studying truck transportation on Ontario highways, I was in a position this past summer to hear views from many people and listen to many submissions. There was always some comment made about the Ontario Highway Transport Board, and in nearly every case these comments were good. The chairman of the board, Mr. Shoniker, is held in especially high esteem by the very many people who have used this board in the past.

The decision on this matter was not made lightly. I understand there was testimony from over 70 witnesses and the decision was made in full knowledge of the service that Gray Coach Lines were providing. I think the leader of the Liberal Party was entirely wrong when he attempted to get the minister to overrule the decision of the board.

Mr. Conway: He's backing up pretty fast.

Mr. Lane: This type of decision should not be made in the political arena, and the public is better served under the present setup. In fact, I can just hear the flak from the members of both opposition parties if the government, in fact, did make these kinds of decisions.

Mr. Lewis: What?

Mr. Moffatt: Why don't you set a policy?

Mr. Conway: What about Spadina?

Mr. Lane: As everyone knows, there is an appeal system and that is the route that Gray Coach should be going if they're not satisfied with what was handed down and they don't think they can stand some competition. They should go that route, and I don't know why they haven't gone that route before now.

In my experience, a little competition is always good for the trade and keeps people on their toes. Generally the public benefits from it. There are some cases, of course, where there just isn't enough room for competition. Maybe this could be one of those cases. I personally don't know that because I haven't been that close to the situation that we're now faced with, but I would really doubt that.

Mr. Conway: Politics in Lambton county.

Mr. Lane: Gray Coach was aware of Greyhound's application since November of last year, yet it made no real effort to upgrade its services. It really seems to me that they're not interested in the comfort or convenience of their passengers.

Mr. Conway: Keep on talking.

Mr. Lane: Another matter that was raised in recent days, I believe by the Leader of the Opposition (Mr. Lewis), was the fact that Greyhound had paid the expenses of the witnesses who had appeared before the board on their behalf. I would assume that they did. I think this is only fair. I know that when the people who are in the transport business in my area come down to try to get an application approved or to oppose an application, they bring witnesses with them and these witnesses have travel expenses, accommodation expenses and so forth. I think if these people donate their time you can't expect them to donate their money to pay their travel expenses and hotel expenses. I think there's nothing wrong with Greyhound having done that.

Mr. Conway: Free enterprise.

Hon. B. Stephenson: The members opposite—

Mr. Conway: Keep talking, Bette.

Mr. Speaker: Order, please.

Mr. Lane: It's not really too difficult for people like us in this chamber to transfer ourselves and our baggage from one bus to another. But in the case of a mother travelling with small children or a senior citizen travelling alone, it causes a very great hardship.

An hon. member: Let them go by airplane.

Mr. Lane: And also during the winter months when the weather is very cold, Gray Coach makes many stops between Sudbury and Toronto and the doors are opened many times and people are very uncomfortable. I know this for a fact because my wife and I made a winter trip on Gray Coach from Sudbury to Toronto, and my wife said that never again would she consider such a trip in the winter.

Just last weekend I found out that Air Canada flights out of Sudbury to Toronto for Sunday travelling were all sold out on Saturday morning, so I wasn't able to get air transportation back to Toronto. I got in my car Sunday afternoon and drove 375 miles down to here for an early morning meeting on Monday and—

An hon. member: I don't envy you.

Mr. Lane: — and as the member for Erie so rightly said a few minues ago, I shouldn't have to do that. I should have good enough bus transportation service that I wouldn't

consider burning up that extra fuel to get me back to Toronto.

Mr. Sargent: Use a government limousine.

Hon. B. Stephenson: We don't have any.

Mr. Gregory: Are you back, Ed?

Mr. Good: Why don't you have Leo pick you up in the plane?

Mr. Lane: I did not even consider the bus trip because I knew it would take two hours longer to get here by bus than it would by my car and it wouldn't be comfortable en route. But if we had the kind of bus service that we hope to have I would have looked at the bus service as an alternative to Air Canada and I certainly don't do that with the bus service from Sudbury now.

Many of the northern members, including myself, have been talking at great length about improved services to our people. I would like at this time to read into the record a letter I received from Roger Taylor, mayor of Elliot Lake, dated November 29, 1976:

"Dear Sir:

I understand the application made by Gray Coach Lines with respect to improved services for northern Ontario communities along Highway 17 was approved by the Ontario Highway Transportation Board. As this service is both essential and highly desirable by the residents of these communities I would urge you to do everything within your power to ensure that this is implemented as soon as possible."

Those are Mayor Taylor's words, not mine.

Mr. Foulds: Who is it signed by?

Mr. Sargent: He want's Gray Coach, too.

Mr. Lane: Mr. Taylor ran against me on the NDP ticket in 1971.

You know, Mr. Speaker, from time to time members of that party have expressed a great interest in Elliot Lake and I ask the members for Sudbury (Mr. Germa) and Nickel Belt (Mr. Laughren) and Algoma (Mr. Wildman) who are not in the House at this time —I guess because they can't face the situation—

Interjections.

Mr. Foulds: Ever heard of committee work?

Mr. Lane: I would like to ask these people if their friend Mayor Roger Taylor is right or wrong? Is he wrong in wanting better service for the people of Elliot Lake and the north shore? I don't think he's wrong. I think he's right on.

Mr. Foulds: What about the provincial Crown corporation to do it?

Mr. Lane: I think Mr. Taylor's right on.

Mr. Samis: Did you support Jack Horner?

Mr. Lane: When this case was brought before the board, evidence was brought out that the passengers carried on the routes involved—Toronto to Sudbury and Toronto to Buffalo—amounted to somewhat less than four per cent of all the passengers carried by Gray Coach Lines Limited. Mr. Musgrove, vice president of operations, did not see fit to file a financial statement of the company, which would have been a great assistance to the board; nor did he put forth any figures to justify his contention that Gray Coach was not making sufficient profit from its operation on GO Transit.

Mr. Lewis: That's a lot of balderdash.

Mr. Lane: It seems to me that in view of the fact that we are talking about less than four per cent of the traffic carried by Gray Coach and in view of the fact that the minister has requested and the chairman of the Ontario Highway Transport Board has agreed, pursuant to section 17 of the Act, to review any impact on bus service to various municipalities that could result in a decision of the board to allow the operations of Greyhound and Stock Brothers, owned by Travelways and operated over exclusive Gray Coach bus routes, that the matter is back where it belongs—with the Ontario Highway Transport Board and not in the political arena. The right to appeal a decision has always been used by any party that is not satisfied with a decision.

Mr. Conway: Did Michael Gee write that?

Mr. Lane: I wrote that myself.

Mr. Lewis: Really?

Mr. Lane: I listened to some of the people from both opposition parties on the select committee this year and those people were saying the Highway Transport Board should have wider powers.

Mr. Conway: In administration, not in policy submissions.

Mr. Foulds: Go get 'em, tiger.

Mr. Lane: Now they are saying we should take the power away from them and deal

with them here in this House. I can just imagine the reaction across the street if we were dealing with these problems in the House and there wasn't any board to look after them for us.

Mr. Deans: Who suggested that?

Mr. Lane: It's been suggested here this afternoon.

Mr. Deans: No.

Mr. Lewis: Nowhere.

[5:30]

Mr. Lane: Oh, it has been.

Mr. Deputy Speaker: The hon. member will just ignore the interjections. I'm asking him to do so.

Mr. Deans: He better not.

Mr. Lane: I would very much hope that there would not be one driver lose his job. Especially at Christmas time, it hurts me to think that drivers will be out of work and families will suffer.

Mr. Conway: Where is your Kleenex?

Mr. Lane: It has been suggested that 245 drivers will lose their jobs. Gray Coach would have to go totally out of business for 245 drivers to lose their jobs.

Mr. Warner: They may.

Mr. Lewis: That might happen.

Mr. Lane: That might happen, but it's a long way from happening now.

Mr. Conway: Is your job up for grabs?

Mr. Lane: If Gray Coach has any guts at all they'll pull up their socks and start doing a good job on the roads they have a right to work on and they won't have any trouble with competition. Thank you, Mr. Speaker.

Mr. Cunningham: Mr. Speaker, I'm pleased to participate this afternoon, I suppose on behalf of most of the people of Ontario. I was interested in the observation made by the previous speaker on the efficacy of this debate, and I must say I'm equally impressed by the logic put forth by the hon. Attorney General, who I guess felt because it was sub judice that in fact we couldn't discuss it today.

I can only say to you, Mr. Speaker, that those comments are consistent with the kind of legal wisdom we've had from the Attorney General to date in this House insofar as he's been consistently wrong. I think it is important for us to want to debate this very important issue at this time. I don't blame Mr. Shoniker or Mr. Stoddart or people like that, appearing at this particular application decision. I think they've made it—and they have made some decisions—but they made it in the absence of any policy by this government. I think that's the most important fact that comes out today. There is no policy there in that particular ministry and that's why on a continuing basis we're in trouble on these issues. I think it all goes back to the subject of leadership. Contentious decisions have to be made on a daily basis. Regardless of what way the decisions went, the decisions shouldn't have been made in the absence of government policy.

Mr. Maeck: I wouldn't bring that into it.

Hon. Mr. Wells: You were doing fine until now.

Mr. Cunningham: I have raised this issue before—unfortunately I suppose it was out of order at the time: What is the process by which the government of Ontario conveys its feeling on a daily basis to the Ontario Highway Transport Board? I'm sure there's no member in this House would suggest that a certain decision be made on carrier A, or carrier B, or any certain bus line.

The important thing is that before any of these decisions are made there is no vacuum there of thought, but that there is, in fact, an established, well principled, well thought out, properly conceived policy. I can say to you, Mr. Speaker, from my point of view, in my brief experience not only in this House but also on the select committee on transportation on our highways, that there is, in fact, no policy. It is apparent on a daily basis, day after day, that you see the decisions, there is no relevance in these decisions to what has been discussed in this Legislature and what is in fact put out by this cabinet.

Mr. Conway: Shame.

Mr. Lane: Maybe you would like to go to cabinet.

Mr. Cunningham: In 1974 I refer you to a decision made respecting a carrier from Hamilton and a carrier from Windsor, who wanted to interline. They were well represented by counsel in this particular hearing. They had to face about 70 witnesses in opposition to them brought out by major carriers, and in that summation the counsel of the applicant quoted the Hon. Darcy McKeough, Minister of Energy at the time, ad infinitum on the importance of conserving energy. Had that de-

cision been realized and accepted through granting of interlining licences, we would have saved hundreds of thousands of gallons of fuel. What happened to that decision was it just didn't come through, and to what extent we have a meaningful relationship between cabinet and the Highway Transport Board, I can only say to you that it's nonexistent.

Late in November and earlier this last week I asked both the minister and the Premier himself about the possibility of excluding the Minister of Transportation and Communications from any discussion in this cabinet on this very contentious issue. I asked that because it is quite apparent to me, watching him on the media and reading his comments in the newspaper, and even in his comments here in this House, that he has a predisposition on this particular issue and he feels very strongly about this subject. With that in mind, I think he should be excluded from any discussion when this reaches the cabinet stage.

I'm glad to hear today that, in fact, he is acknowledging the wisdom of those remarks. I guess that was raised initially by the member for Scarborough West, the hon. Leader of the Opposition.

I can only say to you that we won't know whether he has participated in this discussion or whether he hasn't, until a decision is made. When we know it's appropriate then we'll know he hasn't been involved in the discussions.

I want to comment very briefly on the topic of bringing in these witnesses. This is one of the recommendations we have made in our report. I think it's time that this kind of environment that exists at the Highway Transport Board be discontinued. It basically means that where those who have the resources to bring someone down—not only someone but 70 witnesses—and pay for their expenses, and likely a lot of air expenses; well justice cannot expect to take place in that kind of environment. I will say only that those are some considerations which we should make before any decisions are made.

Very briefly, on the subject of cross-subsidization, we all realize the importance to all our communities, be it the transportation of people or the transportation of goods, of cross-subsidizing those less profitable routes. We all know, especially those of us who have rural areas in our constituencies, that it is not profitable to run into many areas.

Notwithstanding that, Mr. Speaker, since you represent a constituency where that's very important, you know it's important that these smaller communities have some services. To that end, we can only suggest some trade-offs. A company has some of the more lucrative areas and thus, at the same time, by virtue of the granting of its licence, it is required to serve some of the smaller communities. That's the long-standing principle with this board. I am sorry to see that it has been abridged or abrogated by absence of government policy in this recent decision. I can only say that I urge the cabinet to reconsider this particular issue and to remove it from the Highway Transport Board.

A decision has been made, rightly or wrongly. It is going to go to the appeal process. I urge the minister not to get involved in some subterfuge and some meaningless delays through section 17 of The Ontario Highway Transport Board Act, to show some leadership and deal with this issue today and not in some interregnum period where the opposing bus lines will be established and difficult to curtail.

An hon. member: Let's hear from the member for London North (Mr. Shore) on this.

Mr. Lewis: Just before this riveting debate grinds to a halt, I would like to offer some comments on the substance. I would like to speak to the Minister of Transportation and Communications to put a couple of points I would like to begin with. Number one, I believe firmly, and many of us in this caucus believe, that Mr. Shoniker is perfectly capable of coming to the decision he arrived at without any undue influence or suggestion of influence from any quarter. I suspect and feel strongly that Mr. Shoniker believes quite fully in the kind of decision he rendered and that it expresses the evolution of his own attitude toward the highway system in Ontario. It is, we think, fundamentally wrong, but I have no doubt in his terms it is honourably held.

Mr. Shoniker, for whatever reason, has fallen prey to the gratuitous abuse of Gray Coach which is so fashionable on the government side this afternoon and has also mirrored the private sector fetishism which is so fashionable on the government side. Whatever has caused Mr. Shoniker to go through this metamorphosis in opinion, he has achieved it on his own, I have no doubt, and he has made his decision; but he should not have allowed himself to make it because it wasn't his decision to render, it was a government decision to render.

The Minister of Transportation and Communications, I have no doubt, approved of that decision as a logical extension of his own

social philosophy. The Minister of Transportation and Communications is a man who has undoubtedly been jaundiced about the role of the public Gray Coach as a carrier and would naturally, instinctively, and through everything about him, want a private sector carrier to prevail. That's the nature of the Tory party and the nature of the beast.

Hon. Mr. Snow: You are not calling me a beast, are you? That's unparliamentary.

Mr. Lewis: I use that in the broadest generic terms. Don't in any sense take that seriously or personally. It is not unparliamentary.

Mr. Singer: Why doesn't the minister challenge him?

Mr. Lewis: I think it is true of Mr. Shoniker and I think it is true of the Minister of Transportation and Communications. They come to this kind of specious conclusion in the absence of any policy. We work in an absolute vacuum so that their instincts and their natural inclinations prevail. Their natural inclinations are a hymn to free enterprise and therefore Greyhound gets this kind of preference over and above Gray Coach.

In order to deal with it, though, in order to explain it this afternoon, for example, the government has to indulge in all of this flailing act in abuse of Gray Coach. I haven't heard more nonsense than that which was given by the member for Scarborough Centre, and I dignify it, in his use of phrases such as "corporate terrorism" and other things. My God, one never hears that kind of extravagance and hyperbole from this side of the House, but certainly the member for Scarborough Centre is addicted to it.

While they abuse Gray Coach for a presentation that may have been inadequate before the board—and I must say I wondered a little and my colleagues wondered a little about the extent of preparation of Gray Coach before the board—let me point out to the Minister of Transportation and Communications two things: If the Ontario Highway Transport Board is concerned about the services provided by any carrier, it has a right under the Act to call that carrier before it to indicate to the board why the licence should be sustained in the absence of adequate service. If the Ontario Highway Transport Board has a number of complaints against a carrier it has a right to bring the carrier before it and to demand an explanation.

Did Mr. Shoniker and the Ontario Highway Transport Board ever do it? No. Did they ever give Gray Coach any suggestion that there was wrong-doing or inadequate service? No. The fact of the matter is that the Ontario Highway Transport Board, if it felt that way, was entirely culpable.

Hon. Mr. Snow: Seventy witnesses told them that and they never agreed to the move.

Mr. Lewis: The 70 witnesses brought by Greyhound, not by the board.

Hon. Mr. Snow: They never agreed to the move.

Mr. Lewis: Let me take it the the next step. If the board and the government are jointly concerned about the provision of service in any area of the province, then the government has it within its domain to say to Gray Coach: "Extend your service through northwestern Ontario; extend your service through northeastern Ontario; improve the service you are now giving." Was that ever done by the government of the province of Ontario? Can the minister stand and cite chapter and verse where he asked Gray Coach to do that kind of thing?

The minister is filled with an absolutely smacking hypocrisy. He abuses them on the one hand and yet he has never used the avenues available to him to draw them to account on the other. So one must believe that Gray Coach in fact wasn't doing a bad job at all.

In truth, if one looks carefully at the Gray Coach operation and if one speaks to passengers on the main profitable and other runs and if one deals with the drivers, one is dealing with a pretty good service all in all—a service in certain areas like the Toronto-Buffalo run of utter excellence. To suggest otherwise is for the government to indulge in an argument to beat its opponent about the head because the government has nothing better to say for itself. The Ontario Highway Transport Board defaulted, and frankly, so did the government.

Where does that leave us? That leaves us with Greyhound doing exactly what it wanted to do. Already the statistical data is writ large in the annals of the last 48 hours. On Tuesday night at 12:30, the first night the overrun was made, the Toronto-Sudbury Gray Coach carried six passengers; the Toronto-Sudbury Greyhound that departed at the same time carried 26 passengers. Last night, the Toronto-Sudbury run carried 23

passengers; seven on Gray Coach, 16 on Greyhound. The Sudbury-Toronto run left Gray Coach running with two passengers, Greyhound with 19. The government has already driven the nails through, and it is perfectly conscious of what it is doing because it understands it.

Hon. Mr. Snow: You are saying the public doesn't have the right to a choice.

Mr. S. Smith: You know damn well they will take express over local.

Mr. Lewis: Of course they will take express. The government has given it to them, and it can see the statistics. This, as a matter of fact, makes of Gray Coach's predictions an underestimate. They could have been more calamitous and they would be right.

Does the government know what Greyhound does? The normal mode of operation in the 50 years it has been working is to find a local partner, often a railway, set up a local Greyhound corporation and buy out the major local bus line. The new partnership would then use the leverage given it by its local operation and its superior financial resources to force other local operators to sell, giving the local Greyhound operation a monopoly. The parent Greyhound operation would then buy out its local partner in a stock trade and integrate the local operation into the Greyhound corporate family.

[5:45]

If there was no local partner to be found the mode of operation changed slightly. A local operator would be given a franchise to use the Greyhound name. Once the local operator became dependent on the business generated by the franchise Greyhound would use its leverage to buy out the locally-franchised operator. For example, as far back as 1940, Greyhound acquired Toronto Greyhound Lines Limited; in 1944 it acquired BC Greyhound Lines Limited. Both were former franchisees or licence holders.

From 1926 to 1976, the 50th anniversary being September 20, 1976, Greyhound has bought out, in this perfectly legitimate but entirely manipulative corporate pattern, 101 companies. It now has 101 subsidiaries, moving like a juggernaut right through the United States into Canada. The government is willing to relinquish to this corporate giant the one model of public corporation excellence we have in this bus field through exactly this kind of transaction.

If I may pull these things to a close—

Mr. Deputy Speaker: One minute.

Mr. Lewis: —what is most ironic is that the Gray Coach people have made the arguments that they'll lose money and they're right; they'll lose passengers, they're right; they'll lose jobs and they're right. We have no right in this province to jeopardize a single job. The government prattled so easily about jobs with the Reed Paper Company, which may be 10 years down the pike, but it blanches for not a second for 245 jobs which could be lost in the next number of months. That's the way the Tory party works.

May I say that the Canadian Transportation Commission report—we haven't discussed it here—on the Bruce Peninsula, 1974, showed that the unprofitable runs must be sustained by the profitable runs; just as the report on Alberta showed that the Edmonton-Calgary run sustained all the unprofitable regional runs.

All of the evidence is there but the government refuses to adhere to it. That's why we're opposing it so strongly and demand that the board be overturned and the policy be set.

Mr. Gregory: I rise to take part in this debate although I think by this time everything that can be said has been said. I would like to make one or two comments in regard to some of the statements made by the opposition members in their speeches.

The text of the hearing at the OHTB, I think, was clear and comprehensive. The statement was made that Mr. Shoniker has performed his duty as it should have been performed and I think this is so. Where we differ in opinion is in the statement that it was done with a lack of government policy.

This is not the case. The policy of the Ontario government, insofar as the Ontario Highway Transport Board is concerned, is that of service to the public, an extremely good service. The same thing applies whether it be an application in regard to bus transportation or truck transportation.

We seem to be hearing an entirely different position from across the way in regard to this application from what we hear in regard to truck applications. It's an entirely different position.

Mr. S. Smith: It's a different business.

Mr. Gregory: It's a different type of goods but it's still goods nevertheless. I've heard it said that we're operating in a vacuum with a lack of government policy but I have mentioned that government policy is one of service. I suspect the policy the opposition

members are looking for is a policy which says no public conveyance shall be opposed in any way. That's what they call a monopoly. Are they asking for a policy of monopoly from this government? I don't think they're likely to get it; we might get it from some of them.

Mr. Sargent: What a sick argument that is.

Mr. Gregory: I've heard yours, too.

Mr. Singer: When do we do away with Hydro? Next week?

Mr. S. Smith: Do away with the Toronto-Windsor monopoly?

Mr. Gregory: Are you going to speak again or do you want to listen for a while?

Mr. Deputy Speaker: The member will ignore the interjections and speak to me.

Mr. Gregory: I usually do. There was witness after witness before the board, and generally the expressions were—

Interjection.

Mr. Gregory: I doubt that; I doubt very much whether the member has any evidence to that effect. I don't think they have any evidence to the effect that they were paid to come either, such as the statement he was making in the papers—

Mr. Sargent: The minister said so himself.

Mr. Good: Read their ad in this morning's paper. They say they brought witnesses to Toronto and paid expenses.

Mr. Gregory: The general remarks of the witnesses before the hearing would seem to indicate a general dissatisfaction with the service of Gray Coach. I don't think that's a position or a story that's being made up by the members on this side of the house; it has been stated by witnesses—

Mr. Sargent: Paid witnesses.

Mr. Gregory: —through a properly appointed body, appointed by this government, to deal with this type of application.

Interjections.

Mr. Gregory: Mr. Speaker, I am having an awfully difficult time with the opposition members. They can hand it out, but they sure don't like to take it.

Mr. Breithaupt: I didn't think you were taking anything anyway.

Mr. Gregory: These witnesses were naturally brought to the hearings by the bus company they were supporting. The same thing happens in every application regarding trucking licences. Why shouldn't they do this? Is it a sin for them to bring in someone to back up their position? I doubt it. The only fault that was made, and the only mistake that was made, is that if the position of Gray Coach was to strong, as the hon. members opposite seem to think it is, why didn't they do that? Why didn't they bring some witnesses to say how wonderful—

Mr. S. Smith: They just couldn't believe that kind of decision could be made.

Mr. Gregory: They received lots of notice about the hearings. They had lots of time to do this. The fact of the matter is they were so complacent—which has been the source of their problem and why the service has become so bad—they were so complacent they didn't feel there was a chance that authority was going to be granted to an opposition body. They were so comfortable in their monopoly they didn't think there was a chance that anything was going to happen to it. But, lo and behold, there was a decision based on fact and for which I give all credit to Mr. Shoniker; it was based on fact and the authority was granted. I don't find it too unhealthy. I think competition is damned healthy.

Mr. S. Smith: Greyhound didn't think so in Montreal or New York.

Mr. Gregory: The only thing that some of this publicity has done—and I think for the most part it has been generated by the opposition members—is that it has caused a great deal of confusion in the minds of the public.

An hon. member: How about Spadina?

Mr. S. Smith: A $10 million give-away.

Mr. Bain: It has clarified their view of this government.

Mr. Gregory: I think the public has a pretty good view of this government. That's why we're over here and you're over there. And we're going to be over here for a lot longer.

Mr. Breithaupt: There is an Eric Winkler comment.

Mr. Bain: Your modesty overwhelms me.

Mr. Deputy Speaker: Order. The hon. member for Mississauga East has the floor. Please continue.

Mr. Breithaupt: He thinks he has got the whole building.

Mr. Gregory: Thank you, Mr. Speaker. One of the spinoffs from all this confusion is the confusion surrounding the commuters to York region who now find they cannot take evening buses from a downtown Gray Coach terminal. Instead, they must take the subway to Finch and then board. There's no heat in either the terminal there or the crude bus shelter.

Mr. Sargent: Isn't that too bad? They have to take a subway.

Mr. Gregory: They think this is a result of a decision on the Sudbury and Orillia-Barrie runs. Mr. Speaker, it is not. The Toronto Area Transit Operating Authority, which pays Gray Coach to operate the run, offered months ago to buy the terminal and shelter. This would have meant heat now. But Gray Coach refused. Now TATOA is putting in heat, even though it doesn't own the site.

Now the public knows this, it surely has the right to demand a clear-cut answer to just what is going on. The public is too confused about this, because of the publicity that has been coming from the spokesmen from the opposite side of the house. I think they unjustifiably confuse them. It's about time the members in this House started levelling, rather than political posturing, for the benefit of the people they hope to vote for them, and start doing what is right for the public in supporting this application.

Mr. S. Smith: Oh, you are changing policy.

Mr. Singer: Mr. Speaker, I am puzzled in this debate about some of the legalities and what I would term phoney issues raised by some of the people on the government side.

An hon. member: How about the one behind you?

Mr. Roy: He is out of order.

Mr. Singer: For instance, I think of the reference made by the Speaker earlier, when he came to the conclusion that we couldn't appropriately debate this because it was sub judice. I can't forget a comment made by the former member for St. Andrew-St. Patrick, when he was a cabinet minister. He had appointed some committee in his department to investigate something or other, and he had the cheek, as this minister and the Attorney General and a few others have the cheek, to come before the House and say, "The matter is sub judice and therefore you can't talk about it." That was the initial ruling by the Speaker earlier today.

I draw your attention, sir, to section 17 that says "the board may at any time review, have a rehearing" and so on. It doesn't say that the minister may direct the board to do it. It says that the board at its own initiative may do it.

The other section that we're concerned about is section 21 that says upon a petition the Lieutenant Governor in Council may review and order certain things. There is no petition and the thought that a petition may be forthcoming is a thought solely in the minds of the government people. Surely they cannot write legislation at their own behest to justify an Act that is quite improper.

If they want to go to the board and say: "Look further at the impact on bus service to various municipalities that could result from the Ontario Highway Transport Board decision," and the Ontario Highway Transport Board chooses to do it, that's fine. But don't let the Premier tell us and tell the Speaker and don't let him send the Attorney General to the people of Ontario to say, "therefore it's sub judice;" because he creates an illegal and false situation and then he says we can't talk about it—and he's wrong, wrong, wrong.

Now the other thing—

Hon. Mr. Davis: The petition from the union is in.

Mr. Singer: There is no appeal presently and there wasn't late this afternoon, and the minister said he expected one on Monday. He expected one on Monday and he didn't have it and he didn't have it yesterday, December 8—

Hon. Mr. Davis: Mr. Speaker, on a point of order. I don't think it matters that much but I just say, because the union representatives are here, my understanding is that there is a petition coming from their management—

Mr. Singer: Oh, that's a different thing.

Hon. Mr. Davis: No, no. I just want to say so the union representatives here will know that their homework has been done, that in fact a petition has been received from the union.

Mr. S. Smith: Not from your cabinet.

Mr. Singer: That's not a point of order. He doesn't have a point of order at all, Mr. Speaker.

Mr. Deputy Speaker: I agree.

Mr. S. Smith: The appeal cannot come from the union.

Mr. Singer: Surely to goodness the members of this Legislature should abide by the legislation which is written and which is law. What they have been doing is breaking the laws of the province of Ontario and casting a phoney appearance over the whole procedure in order hopefully to avoid discussion of a very important issue.

The hon. member for York North, who is no longer here, saw fit, appropriately as a member of this House, to bring a petition before us bemoaning the decision that had been made. Fine, that's his privilege. Many members of the House have done that.

It is most important that we be allowed a free expression of opinion and the inequitable, unfair, unrealistic and illegal apparent legalities the government purports to bring before us are wrong and should be disclosed as being wrong. This unfair tactic should be revealed; and merely bringing the Attorney General in for a few minutes at the beginning to argue that it's not so does not make it not so. If the government wants to change the legislation, let it so do.

The other very important point is this. Over many years I used to argue with Mr. Kennedy, the former chairman of the Municipal Board, as to what function he had, or what function any appointed board had, insofar as being independent or expressing government opinion is concerned. It was my argument over a long period of time—and I hope the Premier listens to this because it's important and I hope he clarifies it in his wisdom and is prepared to bring before this Legislature clarifying legislation—whether or not these administrative boards are really independent or are expressions of government policy, very important.

Mr. Roy: Very important point.

Mr. Singer: Mr. Kennedy felt that there should be no security of tenure for he and his colleagues because they were in fact interpreters of government policy. I look at this statute—the Ontario Highway Transport Board statute. There is no security of tenure here. If you accept Kennedy's argument—and no one ever changed it—the Municipal Board was never given security of tenure, this board is not given security of tenure: then these boards are in fact reflections of government policy.

Mr. Roy: That's right.

Mr. Singer: What other evidence have I about that statement? I have the evidence of this letter the Treasurer wrote to the minister, this minister. And he said: "Tell me, Mr. Snow. The reference to free enterprise has bothered a number of present businessmen and I can appreciate their view. Bus services have always been controlled to maximize the—"

Mr. Deputy Speaker: The hon. member has one minute.

Mr. Singer: — benefit to the public. Then the Treasurer says: "Give me some guidance. What is your policy, Minister of Transportation and Communications?" What we're debating here is not Shoniker, is not the board; it's what the policy of the government is. The Treasurer recognized that, Kennedy recognized that, the people of Ontario recognize that and the government is wrong in the direction it has taken.

Mr. Deputy Speaker: In accordance with standing order No. 30, this debate is concluded.

The House recessed at 6 p.m.

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Third Session of the 30th Parliament

Thursday, December 9, 1976

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

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LEGISLATURE OF ONTARIO

The House resumed at 8 p.m.

RETAIL SALES TAX AMENDMENT ACT

Hon. Mr. McKeough moved second reading of Bill 170, An Act to amend The Retail Sales Tax Act.

Ms. Bryden: Mr. Speaker, this bill does one thing mainly. It repeals those parts of the amendment to The Retail Sales Tax Act which we passed last spring and which put the sales tax back on to production machinery after the temporary lifting of it during the election campaign.

This was to go back into effect on January 1, 1977. This bill now wipes out that reinstatement of the tax. It also establishes a completely new section regarding the exemption of producers' goods. It re-enacts some previous exemptions that were in the existing Retail Sales Tax Act and it provides a very broad exemption for machinery and equipment, including about eight or nine categories of machinery and equipment and including even parts which are added to machinery and equipment to increase the output or capacity of that equipment. So it is a very broad exemption that is being proposed in this bill, and it is being proposed as an indefinite exemption instead of any sort of temporary exemption.

I would like the minister, when he speaks, to clarify for us to what extent this new exemption for producers' goods adds to the exemptions that were in the Act before the temporary suspension of the tax on machinery and equipment in April of 1975. What are the new categories that are being added? This bill also re-enacts some of the old categories. For example, we have always exempted the materials that went into the production of goods and the consumables such as the fuels that were used in the production of goods. But this exemption adds a good deal more—mainly machinery and equipment in various categories, but also things such as trucks, which are used not on the highway but within the confines of the operation of the plant. So we'd like that clarified.

We'd also like the minister or the provincial Treasurer (Mr. McKeough) to clarify to what extent this goes beyond the exemption which the federal Excise Tax Act provides for producers' goods, so that we can know how much we're parallelling them and whether we are going beyond or whether we are less generous than they are.

There has been a lot of debate about whether producers' goods should be taxed. There is the one extreme of saying there should be no exemptions to a retail sales tax on the grounds that the fewer the exemptions the easier it is to administer, the less likelihood there is for distortion in the allocation of resources, and arguments of that sort.

At the opposite extreme is the argument that all producers' goods should be exempt on the grounds that they all become part of the finished product, and the finished products are finally taxed. But there one runs into problems of defining what goods actually are part of the production process. Is the paper that is used for inter-office memos part of the production process? Are the trucks that deliver the goods to your door part of the production process? And so on. If one went to the extreme of saying that all producers' goods should be exempt and had a very broad definition of that, in effect business would pay no retail sales tax at all because one could argue that everything went into the production.

Between those two extremes, most jurisdictions have chosen to exempt some goods which go into production and to tax all others. For example, most jurisdictions exempt materials, exempt the consumables that are used up in the production process, and exempt the fuels. What we were talking about tonight is the question of whether machinery and equipment should be exempt.

We have conflicting views on that, even within this province. We started out in the initial Sales Tax Act in 1961 by exempting them. Then in 1969 they were brought under the tax. Then in 1975 they were exempt again on a temporary basis, as a so-called incentive to stimulate the economy at a cost

of $410 million. We still have a sluggish economy and we're still waiting to see any proof that that $410 million has created any jobs. Now we are proposing to go to an indefinite exemption for machinery and equipment. So we've had a flip-flop position in this province.

In the other provinces, three provinces now tax machinery and equipment. It's interesting that they represent three different political philosophies, so I don't know whether one can draw any conclusions from that. One is a Conservative province—Nova Scotia; one is an NDP province—Saskatchewan, and one is a Social Credit province—British Columbia. The federal government exempts machinery and equipment. In the United States there is a diversity of practice among the states. More of the industrial states tend to exempt machinery and equipment than tax it, but there is quite a difference in practice across the country.

So we have to decide whether exempting machinery equipment from tax at this time is a desirable policy. We don't have too much to go on as far as the philosophy goes because it seems that different jurisdictions have been able to justify taxing or exempting under various forms of tax philosophy. The justifications which the provincial Treasurer puts forth in his Ontario's Economic Strategy for 1977, in which he announced this change, appear to be four-fold.

He says it will increase investment in the private sector and that means jobs. Secondly, he says it will increase productivity. Thirdly, he says it is necessary because profits are declining; and fourthly, he says it is necessary in order to increase the competitiveness of our manufacturing industry. I want to spend just a little time on each of these justifications.

With regard to investment, when the temporary exemption went into effect in 1975, the investment intentions for machinery and equipment in Ontario had been forecast as $2.3 billion. The final investment for 1975, the first year of the incentive, actually fell $300 million short of that figure. The trend for investment in manufacturing in Ontario in machinery and equipment has been going down steadily since 1974, so that it doesn't seem as though this incentive has really stimulated investment very much.

Jobs: The provincial Treasurer always argues that if you put money in the hands of the private sector, there will be jobs created, but in fact our unemployment rate has been going up steadily. It now stands at 6.2 per cent and there were in November 227,000 people out of work in this province. The 6.2 per cent is the seasonally adjusted rate of unemployment for this province, and that is certainly not a figure to be proud of.

Employment in the manufacturing industry, which is what the incentive was mainly directed towards, actually went down in 1975 over 1974 by 6.5 per cent. Thus it would not appear as though the $410 million, which was given as a temporary incentive, has achieved very much in the way of either increased investment or increased jobs. In fact, the minister, in his economic strategy, looks at the outlook for the coming year and, in spite of his incentive, says: "No improvement is foreseen for unemployment in Canada and business investment is expected to remain sluggish. I anticipate broadly similar trends for the Ontario economy." So, his gloom doesn't seem to reflect very much confidence in the merits of his incentive.

Going to the second justification for the exemptions, the question of productivity, we naturally all agree that productivity in Ontario must be increased. The fact is that there is considerable underutilization of our capacity. It is running in the country as a whole at about 85 per cent. We need measures at the moment which will make that capacity be utilized rather than create new capacity.

[8:15]

However, on the question of productivity, the provincial Treasurer paints a rather gloomy picture stating that we are behind the US—I shouldn't say that he said we are slipping further behind. He recognizes in his statement that the picture he gave in the spring budget of the productivity trends has been invalidated by a revision of the US figures on which it was based.

The C. D. Howe Research Institute has documented this change in the comparison of our productivity with that of the United States. In effect, it shows there has been no deterioration in the relative position of the two countries on productivity but the provincial Treasurer simply says that Canada's relative performance does not look quite so bad.

He doesn't admit there has been no deterioration. He simply fudges it by saying that Canada's relative performance does not look quite so bad. In effect he is using productivity warnings which are not true and our productivity has been maintained.

I think the change in the exchange rate itself would probably change those figures con-

siderably and perhaps show that our productivity, if not keeping pace with the United States, was possibly improving.

Secondly, in his discussion of unit labour cost, he is relying on comparisons of US and Canadian wage rates which are really comparing apples and oranges but he doesn't admit that. The US figures on average wage rates cover all employees in all establishments on a sample basis whereas ours cover only establishments with 20 or more employees. That could make quite a significant difference in the comparison of wage costs.

The two countries also have different treatments dealing with fringe benefits and overtime. The figures which say that US wages are growing faster than Canadian wages are not necessarily true and do give a false picture of where the problem is.

Thirdly, the provincial Treasurer justifies his exemption on the grounds that profits are going down and he selects 30 companies to show us how their profits have dropped by 2.7 per cent in the first nine months of 1976 compared to the first nine months of 1975. As we know, one can prove anything if one carefully chooses the base period and what is put into the statistics—that is, the selection of companies.

In these 30 companies, he has only seven manufacturing companies yet he is trying to justify the exemption of machinery and equipment which is mainly used by manufacturing companies. He has a distillery, a brewery, a publisher, a few other firms and a few banks.

Our research department has tabulated the 30 companies' profits across the board since 1971 and from the nine months has forecast a figure for 1976. They show there has been a 15 per cent increase over that period—an annual increase of 15 per cent for those 30 companies so the fact that they slipped in the last nine months is not really very significant.

They have been doing very well and they have substantially increased their profits since 1971. The fact that they have slipped simply shows they can't go on forever getting percentage increases on percentage increases when their profits are already taking more out of the economy than it can afford and leaving very little purchasing power to buy the products.

If we take the seven manufacturing companies out of the 30 companies and add up their profits, even for the nine-month period the Treasurer took, they actually show a two per cent increase in profit. And they show, over the period from 1971 to 1976, an annual rate of increase of 16.7 per cent. They show that their total profits have more than doubled in that period from $135 million to $314 million estimated for 1976—two and half times or more.

The provincial Treasurer may say that the NDP is against profits, which is not true. We approve of reasonable profits; he approves of unreasonable profits.

Mr. Shore: Depends who gets them.

Mr. Hodgson: How much did the leader of the NDP make on his house? Do you remember?

Mr. Speaker: Order please. The hon. member for Beaches-Woodbine has the floor.

Mr. Peterson: Give us the magic number.

Ms. Bryden: The first justification which the provincial Treasurer has for his exemption is the question of competitiveness—that we must give this concession in order to keep our industries competitive.

He hasn't produced any comparative studies that show how competitive our industries are, except his study of the sales tax burden in other adjacent jurisdictions on our companies. But the whole exercise is really improper and rather typical of the provincial Treasurer's proneness to choose selected statistics.

You can't compare the tax burden on our companies and their competitiveness just by looking at one tax. You have to look at the whole tax burden:

Is their corporation tax higher or lower? The Canadian corporation tax is lower than in the US.

Are the capital cost allowances more generous in Canada than in the United States? I think they are.

Are property taxes higher or lower? Are gasoline taxes higher or lower? You have to look at the whole tax burden before you can say that our companies are less competitive or more competitive because of a certain tax. And, of course, the decline in the value of the dollar again has made a great change, and quite probably a very significant change, in our competitiveness which perhaps wipes out his whole argument that they are suffering from any competitive disadvantage at the moment.

The provincial Treasurer hasn't done any studies on this, as I mentioned, but the federal government did do one study on the tax reduction that it gave to Canadian manufacturers in 1973. It attempted to find out

whether that tax reduction had really affected competitiveness.

Its conclusion was that this tax concession had not improved Canada's competitive position in world trade, because Canada is really at the mercy of her buyers and the world market. The trade deficit continued after the tax. In fact, there was nothing to indicate that the manufacturing sector was doing better than any other sector despite this federal tax concession, which is somewhat equivalent to the sales tax exemption because it puts more money into the profit of the companies.

Those were the four reasons which the provincial Treasurer used to justify his exemption. We feel that he has not in any way justified it. He has not produced a single study or a single shred of evidence that the past exemption has been effective, or that the new one will be effective in any way.

Mr. Speaker, I ask you, does a soundly managed and up-to-date government embark on an expenditure—and it really is an expenditure—of $160 million without studying the effects—without a cost-benefit study, without studying what will be the effect on productivity, on investment, on allocation of resources, on development of Canadian secondary industry, on development of a machinery industry at home, on our balance of payments, and so on? Would any other expenditure of this size be embarked upon without a feasibility study?

Mr. Deans: With this government, yes.

Ms. Bryden: We have decided to oppose this bill. I'm sure this is a surprise to the provincial Treasurer. We're opposing it for a considerable number of reasons, which I'm going to enumerate. There are about seven, and I think my colleagues have some additional ones as well.

We feel there are a lot of theories about the economic effect of an exemption of this sort, but it depends really on one's theories of shifting and on one's assessment of the state of the economy and what is needed at this time. Our first reason for opposing this tax is the one I've just given, that there have been no studies of the economic effects of it. Our second reason is the state of the economy. As for the unused capacity which I mentioned, steps must be taken to put that to work. The serious unemployment, which I've also just mentioned, with 227,000 people out of work, indicates that some very definite action is needed in this field. The government is really copping out from taking action in this field by saying this proposal is the answer.

The economy is facing other serious inflationary increases. Energy prices are just starting to work their way through the economy. Other inflationary factors are still operating. I think the state of the economy makes us consider what is the most appropriate kind of measure to meet that stagnation and the unemployment connected with it. Our third reason for opposing it is not the state of the economy but the state of the provincial finances, that overblown deficit which ran up to almost $2 billion last year and which is estimated at $1.238 billion this year.

The expenditure restraints have reduced services to the sick, the aged, the disadvantaged, to our cultural activities and even to the purchase of park land. This serious financial situation indicates the province can ill afford to pass up $160 million worth of potential revenue from a source of this nature, especially when there doesn't seem to be any evidence that the exemption is going to stimulate the economy.

Our fourth reason is a matter of priorities. If the government has $160 million to play with, what does it do with it? It gives it as a tax concession to the corporations which are already enjoying a great many tax concessions and which are contributing less and less to the provincial revenues. It's gone down from 17 per cent in 1965-66 to 10.4 per cent this year. Does the government use this $160 million to reduce the deficit and avoid the kind of cutbacks I mentioned, or does it use the $160 million to get some more direct job creation programmes going, or a combination of those things? It seems to me those things have higher priority than a concession to the corporations for which there appears to be no evidence it will be effective.

Our fifth reason questions the whole extension of exemption. Most tax experts say there should be as few exemptions as possible from sales tax in order to reduce the administrative problem, the lack of neutrality of the tax and so on, and to reduce the effect it may have on investment decisions. They say a government should use other means if it wishes to offset any undesirable economic or social effect of the tax, as is done with the retail sales tax credit in The Income Tax Act, or as can be done through grants to specific industries where you might wish to promote Canadian development in a particular secondary industry.

[8:30]

I'd like to read one little paragraph of philosophy about exemptions under The Sales

Tax Act. This comes out of Hansard, March 12, 1969, and was spoken by a former provincial Treasurer, John White. I commend it to the present provincial Treasurer. John said:

"Where the purpose of a particular exemption has a special merit, then it is appropriate that the subsidy being provided from public funds be by grant rather than by exemption from tax. Those members who were on the select committee will recognize this very important principle that special benefits be provided regularly, overtly, in full view of public scrutiny, by way of a grant rather than having a tax exemption, whether we talk about property tax exemption or some other tax exemption embedded in a statute or embedded in a practice beyond the view of the citizens and the taxpayers."

We certainly think that all kinds of subsidies should be out in the open, and that they should be considered more as expenditures rather than reductions in revenue. Then we would be able to discuss their merits much more effectively, or their demerits as in this case.

The use of the exemption device has another disadvantage in that jurisdictions start bidding with each other as to whom can give the biggest exemption. That creates a very undesirable situation of competition between jurisdictions. I think the fact that Quebec adopted a temporary exemption for machinery and equipment, which was to expire in March 31, 1977, was an attempt to compete with our exemption. They have since extended and made permanent their exemption. So it looks like we are just trying to compete with them —it becomes a leap-frogging situation. You don't know where it will end. If one exemption is considered desirable for a variety of reasons or for rewarding one's political friends, then another exemption may come to fill the same role.

Mr. Roy: Those are serious allegations.

Ms. Bryden: The sixth reason why we are opposing this Act is that there is a rather sweeping amount of ministerial discretion in the Act. The minister is given power to remove the exemption for any type or class of machinery and equipment or from machinery and equipment used in any process or by any person. It seems to me that this gives the minister power to punish any person or company or activity that he decides he does not like. He can just remove the exemption and say, "Sorry, you pay the tax from now on." It seems to me that this sort of thing should not be permitted. The Legislature should decide who is exempt and who is not exempt.

The minister has also been given power to prescribe the condition for the rebate for parts, which are to be used to increase output and capacity, and for the method of calculating the increase in output or capacity, since you only get the exemption if you increase the output of capacity by 25 per cent. Once again it looks like a sort of half-thought-out idea. They didn't know how to spell it out so they gave the minister the power to write the law in this case. It strikes me that this is a fairly new sort of exemption. I'd be interested to know whether other jurisdictions have it.

The seventh reason for opposing the exemption is that it is not tied to performance. It is not tied to any measure of job creation or increase in investment. It is simply paid for all purchases of machinery and equipment regardless of whether they were planned five years ago or are part of a normal replacement programme.

If we want to have an exemption which will have an incentive effect, it must be much less of a blunt instrument. It must be more finely tuned and possibly tied to investment in Canadian machinery or Canadian companies or the kind of secondary industries we are wishing to develop, such as secondary industry in machinery itself.

Because it's such a blunt instrument it's not very likely to reach its objective. It really simply means a transfer of funds from the public sector to the private sector with the rest of the taxpayers having to pick up the tab through increased taxes or increased borrowing or through a reduction in services. Somebody has to pay that $160 million which would have come in if this exemption was not passed.

At a time when business is doing very well we are really voting to transfer a large sum of money from the public sector to the private profit picture. Eric Kierans in a recent lecture—the Walter L. Gordon lectures—said that business had never had it so good at the moment. He cited profits of $7.7 billion in 1970 and of $17.8 billion in 1975—131 per cent increase. How does it happen that this great increase in profits has not caused a great increase in investment and in new job creations? What's happened to that profit? Probably a great amount of it has gone across the border.

A recent study by Statistics Canada of direct investment abroad by Canadian corporations showed that in 1974 it went up by $1.55 billion, which was a 20 per cent in-

crease over the previous year. Of that outflow, 31 per cent went to mining and petroleum investments which we certainly could have used here. It produced a total of $9.7 billion of direct investment abroad by Canadian companies. This kind of undirected incentive often seems to end up being directed outside the country.

Our eighth reason really is a summary of what I've been saying: The corporations have had too many concessions in the past. It hasn't stimulated the economy and the overburdened individual taxpayer has had very short shrift and no relief; there have been higher municipal taxes and a reimposition of the sales tax for him. The election reduction of two per cent in the sales tax was very quickly put back on for him.

My ninth reason, and this is my final one, for opposing it is that what is needed really is not money for the private sector in the hope it will go out and create jobs, but money in the area which will create demand because no company is going to invest unless it can see a market for its product. The way to create demand is to put the unemployed to work and to use that $160 million for direct job-creating programmes; to put our unused capacity to work and to make sure that both our plants and our human resources are fully utilized. To make a commitment, in other words, to full employment. That is a much better way of using the $160 million.

Some of the areas in which it could be applied by a government committed to full employment would be, first of all, a winter works programme for the immediate situation.

Mr. Peterson: Like the LIP or what?

Ms. Bryden: On the contrary. Instant jobs can be most quickly provided by getting the municipal and provincial governments to take off the shelf the various projects they put there during the restraint programme, and get some of those building, repair and renovation projects going.

One can't put off maintenance and repair forever. This would be the best time to do it when we're facing serious unemployment. Another project that could be embarked on very quickly which would create jobs quickly is a repair and renovation programme for senior citizens, for disabled persons and for low-income families. That would put a lot of people to work this winter.

Then in the long term we must be developing programmes for housing, for recycling, for pollution control and for more insulation and energy conservation measures. The $160 million could be used in some of these programmes to get this kind of activity going. In other words, it could be pinpointed and fine-tuned into the economy instead of being scattered in this way where we have no guarantee what will happen to it or whether it will even stay in the country.

There also is the question of creating job opportunities for the handicapped and the disadvantaged. The provincial Treasurer might look at Manitoba's provincial employment programme for groups which are the first ones to be hit by unemployment, the young, the unskilled, native peoples and women. Work activity projects to get people back to work off the welfare rolls, such as the manpower corps, are some programmes in Manitoba which have been very successful in reducing their unemployment rate.

In conclusion, I would say we feel that the present proposal is really a typical kneejerk reaction by a very doctrinaire government which feels that the only answer to unemployment and to stimulation of the economy is to pour more money into the private sector. This has been used over and over again and proved ineffective. It shows hardening of the arteries in a government that it is still relying on this outdated programme and using it as an excuse to absolve itself from any real initiative in solving our economic problems.

Mr. Peterson: I rise to speak to this bill and I would like to speak to it in the same way that it was brought into this House. It was brought in in the context of a mini-budget, which is very much a misnomer in the circumstances, with a great deal of pomp, ceremony and publicity, and it really turned out in retrospect to be quite a disappointment to those of us who were looking for something with more creativity and imagination out of the government.

I will deal with some of the problems as I see them in a moment. I think the overwhelming reaction to this mini-budget, as it was so-called, is that after it is all cut apart it is just a compilation of a few odd studies, none of which are particularly relevant at this time. It had no original suggestions except the inflation accounting one which, in my mind, is probably going to be a waste of time and money, given the serious problems that we should be studying at this particular time. As I said, the overwhelming reaction to it was that it was just a resounding tinkle when we have some of these very serious economic problems.

What disturbed me as much as anything was the Treasurer's great optimism surrounding this document. As members will recall, he was so happy and optimistic about how wonderful things were. The member for Beaches-Woodbine pointed out some of the problems. I want to discuss, as I see it and the party sees it, some of the very serious problems facing this province that aren't being addressed and to put them in a context of the mini-budet and this particular piece of legislation.

[8:45]

We were experiencing a growth this year of around five per cent, which is down from the prediction of the budget last year of 5.3 per cent. Even though it's down only 0.3 per cent, it is really very significant in terms of gross dollars in his predictions that traditionally have been off by the Treasurer have put great distortions into the year-end financing and have really thrown out both the revenue and expenditure figures that we have had. Even though he says five per cent growth isn't bad, and historically that has been about our average for the last several years, really it's been pretty dismal in the last three years. Last year there was virtually no growth whatsoever and the year before that had something like 2.8 per cent growth. So we are really not in a healthy time.

It is not as if we are coming out of a buoyant economy, it is not as if we had solved our problems. I think our opinion in this caucus is that the Treasurer really hasn't addressed some of the very serious problems and really has just relied on the old standby of nothing new, just extension of the old exemptions to solve some of these problems.

If I can, I just want to discuss it too in terms of the way the Treasurer brought it in. He is projecting that his expenditures next year will increase some 9.6 per cent. What concerns us a great deal at this time is that he has not been frank with this House or the people of this province in terms of projecting his revenues. He is in just as good a position to project his revenues as he is to project his expenditures. I chide the Treasurer for that. I don't think it's fair to give us half a loaf at this particular time. That, of course, gives the Treasurer a great deal of latitude. If there is an election next spring he'll pull some fancy deal as he did two years ago and give away another $400 million or $500 million.

Mr. Haggerty: Even last year he did it.

Mr. Peterson: I think in fairness to the people of this province he owes it to us to tell us his estimation of revenues and therefore what the deficit will be. My colleagues have talked for years about the very irresponsible financing in this province and we are seeing the figures today. I am going to discuss some of the figures that disturb us, and I am talking not in an absolute sense but in a relative sense—relative to the other provinces, relative to Canada's performance. We are seeing that Ontario, which used to be the privileged province, is increasingly becoming the disadvantaged one. In our opinion that's through, in many respects, fiscal mismanagement. I just want to show the House the deterioration of our position in this province in terms of accumulation of debt and show how our accumulation of debt has far outstripped our growth in gross provincial products.

I would say most people that I know who are responsible in a financial way would say that what the government is doing is spending more than it is producing, and ultimately it will pay a price. There is evidence all around us that we are going to have to pay a price and I am frankly surprised that the Treasurer, who is billing himself as the man of great restraint, hasn't addressed his mind to these problems sooner. All I can say is, it's a good thing he won't be Treasurer in about 1983 because somebody is going to have to deal far more seriously with some of these major problems at that stage.

Mr. Renwick: We will look after it.

Mr. Peterson: Our party will be very happy to deal with that when it comes along.

Mr. Hodgson: You will never have that problem.

Mr. Peterson: But let me just put on the record, Mr. Speaker, that the gross provincial direct and guaranteed debt was $5.19 billion in 1968 and by 1975 the debt was over $13 billion. This represents a compound annual growth rate of 14.5 per cent over that period of some seven years. To us, that is an alarming statistic. In 1968, Ontario had the second lowest provincial per capita debt in Canada—$717. By 1975, Ontario ranked fifth with $1,631. The compound annual growth rate over the period was 12.5 per cent.

But then we come to this accumulating debt that is getting increasingly difficult for governments to deal with. Our gross debt charges as a percentage of gross general revenues are estimated about 7.8 per cent in Ontario for 1976. This compares with a Can-

adian average of 5.5 per cent and is the third highest ratio of any province—the third worst performance is what I am saying. It comes after only Newfoundland and Nova Scotia, and Lord knows in many respects they have more difficult problems than we do.

Again, once the richest province, we are seeing growth and activity in a lot of the other provinces at a rate quite different from the rate of growth in our particular province. Being as we are the heartland of the manufacturing sector, we probably have more to lose than any other province in the way the current economy is being run.

I would like to just discuss for a moment, if I may, some alarming figures and put them on the record in terms of unemployment in this province at this particular time. As I'm sure you are aware, Mr. Speaker, the figures for unemployment in November were released yesterday. There is an increase in gross numbers of some 4,000 people. Our total unemployed in this province at this particular time is 227,000.

What's disturbing is that the Conference Board is forecasting for 1977 a growth in the labour force of 2.7 per cent in Ontario and nationally 2.6 per cent. But they are forecasting a growth in employment of 2.1 per cent in Ontario and 2.3 per cent in Canada. What does that tell us? It tells us again, if the Conference Board predictions are correct—and on balance they've been far more correct over the years than the Treasurer's predictions—that we are going to face a serious year in 1977 in terms of unemployment. That, to us, is very disturbing.

At this time our unemployment is running at 6.3 per cent, compared with 5.8 per cent a year ago. It is particularly alarming to see the growth of unemployment in the manufacturing sector; to give a little historical background on this, it was 3.6 per cent in 1972, 3.2 per cent in 1973, 3.6 per cent in 1974, 5.3 per cent in 1975, and six per cent in 1976. An alarming growth in unemployment in the manufacturing sector.

At the beginning of the year, the Treasurer promised 116,000 new jobs. He revised that just a couple of weeks ago to 100,000 new jobs. Again according to the Conference Board, the majority of those jobs were produced in the latter half of 1975; of course, he picked that date in mid-1975 when we were in the middle of a very bad slump. What these figures are saying is there are depressingly few jobs being created in the year 1976.

If I may, I would like to discuss the picture with respect to housing and how we see it, as well as some of the very alarming statistics as we see them. Again, if we compare Ontario's performance to the performance of the rest of this country, we see that we're not in good shape.

The Treasurer will argue it doesn't matter, because we have 30,000 homes for sale on the market in Toronto and we've got lots of vacancies. But that, in our opinion, is not the real problem. What we have talked about, and will talk about more, is affordable housing that's obtainable, and particularly when the government of this province let down the voting public so badly after reneging on several of their campaign promises in respect to subsidizing the mortgage interest rate. It would be interesting to find out from the Treasurer why they reneged on that promise, why they didn't choose that particular method of stimulation and what his plans are for that in that area in the future. As my friend from Beaches-Woodbine has pointed out, it's a very important area that the government can look at to stimulate the economy and to solve some of the unemployment, particularly in the construction sector, which is one of the most serious areas of unemployment in this province today.

Urban housing starts in Ontario were down three per cent in September, compared with September 1975. In the rest of Canada they were up five per cent. Another case where we are falling behind the national average. Our overall seasonally adjusted annual rate of housing starts in Ontario is—

Mr. Deputy Speaker: With all due respect to the member, the principle of this bill deals with The Retail Sales Tax Act.

Mr. Peterson: Mr. Speaker, it is the only time in my life that I wish the real Speaker was in the chair, rather than you.

Some hon. members: Oh, oh.

Mr. Peterson: I think these things are very important when we're discussing the problems in the economy and the ways that one should attack some of those problems, and particularly when the Treasurer has chosen one way. Mr. Speaker, with respect, if you had listened to the member for Beaches-Woodbine discuss some of these things, I think you would have taken a very different—

Mr. Deputy Speaker: I was not in the chair at that time.

Mr. Peterson: That is the problem, Mr. Speaker. Why should I be saddled with your harshness at this time?

Mr. Shore: Cheap shot.

An hon. member: Good point.

Mr. Deans: Are you challenging the Speaker?

Mr. Peterson: No, I wouldn't—

Mr. Kerrio: They went to the same school.

Mr. Peterson: I just want to give some of these statistics briefly, if I may, Mr. Speaker. Overall housing starts in Canada have gone up 20 per cent, but in Ontario they have gone up only eight per cent. And in building permits we're running dismally behind, particularly in Metro Toronto. All of these figures are alarms saying we're running behind.

Let me talk about capital investment for a moment because this is very germane. The capital expenditure intentions for this year, nationally are 12.1 per cent; Ontario's is 7.6 per cent. Let me put that in perspective with the rest of the provinces because this is what the Treasurer is talking about in this bill. Alberta's expectations are 27.6 per cent; Saskatchewan, 20.8 per cent; Yukon and Northwest Territories, 19.9 per cent; Nova Scotia, 18.9 per cent; Manitoba, 11.2 per cent; Quebec, 10.7 per cent; and BC, 10.2 per cent.

The point is there are only three provinces running behind us: Newfoundland, New Brunswick and Prince Edward Island. This was not the case in this province five years ago for anything I'm talking about today. We were running first or second or close to the top. We didn't have this kind of miserable record in most of these areas, in most of these important economic indicators.

Retail sales—again, we're running behind in national average. In Ontario, we're up 10.1 per cent; nationally, we're up 11.8 per cent.

It brings me to one of the things which worries me most about where we are going as a jurisdiction and it relates to the bill before us tonight. It is the accumulation of capital in this province and in this country. In fairness to the Treasurer and to the government, some of the problems we are talking about tonight are not restricted to this particular jurisdiction. There's no question it's going to take co-operation on a broad scale to solve some of these problems.

It is estimated that, in terms of capital expenditures in this country between now and 1985, we are going to need some $500 billion. In current dollars that's close to $900 billion. The figures are absolutely staggering. In those figures I'm using a GNP deflater of six per cent over the next five years and five per cent over the following five years.

That means, in effect, that our capital accumulation in this province is going to have to increase from 22 to 26 per cent of the gross national product, an enormous share. We're going to have to change everyone's habits. I frankly don't expect the NDP will understand it. Certainly the member for Beaches-Woodbine was a little more moderate tonight and she admitted there is some room for profit, for reasonable profit. I have yet to find the wizard who can tell me what reasonable profit is or is prepared to put a figure on that.

Mr. Deans: We can tell what is unreasonable.

Mr. Peterson: Usually they talk about profit in the same way as they talk about carcinoma of the liver or halitosis.

Mr. Deans: That is probably familiar to you.

Mr. Warner: That's why you're down there and we're over here.

Mr. Samis: No wonder the Speaker called you to order.

Mr. Peterson: We can let the back-bench make a few noises; then we'll carry on.

Mr. Samis: He called you to order for a good reason.

Mr. Peterson: Finished?

Mr. Samis: Maybe not.

Mr. Peterson: These are the very serious problems people are worried about. How are we going to accumulate this capital? There are very many reasons for Canada uniquely and particularly having these very serious problems. We've had tremendous underinvestment over the last few years.

I want to read into the record some figures from a major economic study done on capital investment in this country between 1967 and 1973. It's estimated that the capital investment shortfall was some $6.9 billion and the conclusions were that had this shortfall not occurred the stock of business fixed capital would have been up 3.3 per cent; real output in 1973 at the end of the study period would have been four per cent higher; unemployment would have been at 4.5 per

cent instead of 6.5 per cent; and productivity would have been higher.

There's no question that I am sympathetic with the Treasurer's view on developing productivity in this province. I don't think he's doing it the right way and frankly I don't think he understands all of the ramifications. He's admitted that in the House and I will get to that later. There's no question that we have a very major challenge ahead of us to increase our productivity and increase our capital investment in this province particularly.

Our performance really has not improved since that study was filed or was tabled. Canada and Ontario happen to be among the most capital intensive jurisdictions in the entire world. Today it takes some $130,000 to create a job in large business. In small business, it's more like $30,000 or $40,000. I think the Treasurer and the government are deficient in not having a small business strategy by which they would be developing and creating more jobs.

On the other hand, it's not the small businesses which are going to compete for us internationally and earn the export dollars which are going to build the wealth which we can share fairly and redistribute on a fair basis in this province. I think we need more imagination than I have seen from my friends to the right for the creation of wealth.

Mr. Warner: You wouldn't understand.

Mr. Peterson: The other problem, of course, is that we live in an internationally competitive world so the economic model which the member for Beaches-Woodbine was talking about would be wonderful if we didn't trade or if we weren't in competition with any other jurisdiction. That isn't the case today.

[9:00]

We are a necessary integral part of a much larger unit and it doesn't matter whether we like it or we don't like it, we have to live with it. We have to adapt and we have to compete with it. We haven't been good enough at it right now and we are seeing all the indications of that inability to compete—the flight of capital; the flight of jobs, the flight of companies from this jurisdiction. They don't have confidence in the government because they see government consuming capital at an unfair rate. They see government in competition for that capital and I want to talk about that government competition for capital, and for private capital.

The total capital available in this country last year was some $19 billion-odd and we saw that governments consumed some $13 billion. How can it be said that private enterprise is completely responsible for this lack of capitalization when governments, really, are the chief offenders by being competitive in the capital market, by competing for that capital which is highly inflationary? It's one of the results of the excesses of all levels of government which we have seen over a goodly number of years.

What is left is some $400 million only, a mere pittance, in the equity market to build new companies, to build productivity. We are in very sad shape and unless we do something, unless we have an investment strategy to encourage savings, to encourage investment and to get everyone participating in the creation of wealth, I can tell members that we will find there is no money available.

We will find there's no equity and that the only people who will do it will have foreign money. We will be selling out to other people and we will be selling what little we have because it will be on a declining basis.

I think the real story is a sad story and I think the Treasurer was wrong when he came in here all optimistic—or at least feigning optimism—trying to tell the story. I would have had much more confidence in him, as a taxpayer, had he come in and said, "We have problems and here's what we are planning to do about them."

We think there are a lot of areas to which he could address his mind and address the government policy to solve some of these problems. The only cause for optimism—of course, he made a headline on this—in his strategy statement was in terms of industrial production where we are running ahead of the national average, but in terms of real growth, we are running behind the national average.

I am really very pessimistic. We are going to support this bill but we are not happy about some aspects of it. Let me be frank with the members. We went to the legislative counsel because we wanted to propose an amendment to this bill. We wanted to say we want this bill for one year only. We wanted to extend it for one more year and we wanted a complete definitive study by the government on the effects of this bill on jobs creation, on the creation of investment and all the other factors, how big an effect it had on the economy and it really did do.

The legislative counsel advised us that we couldn't move that amendment to have it for only one year and I am sorry about that. The reason we feel so strongly about this is

that the Treasurer was asked in the House last week what his plans were for productivity goals and to encourage investment and jobs and to stimulate the economy.

He said this about the productivity question, "Without being specific this afternoon, I can only tell the member that the Premier, the Minister of Labour, the Minister of Industry and Tourism and the provincial secretaries and others have been giving this whole matter a great deal of thought. We have nothing definite to put in front of the House at this moment." I think he should have something definite to put before this House at this moment and frankly I think he's missing the issue when he appoints a commission on inflation accounting which is more of a detail.

He should be appointing a commission on productivity in this province and ways to encourage jobs. He should have a commission to encourage jobs and investment and the creation of wealth. That's what he should have because, by his own admission, they don't know the answers.

If they don't know the answers, they should surely look outside this government and get some help with it. It's a big issue. We are all involved in it, regardless of our political persuasion, but I wish the government would apply its mind to the real problems and not to the superficial problems. Even if he can solve his problems with respect to inflation accounting, it really doesn't matter a tinker's damn because most of these companies function in broader jurisdictions, in national jurisdictions. It is going to be pretty tough to have one set of bookkeeping in Ontario and another set in Manitoba. Probably the net result of that, like so many other commissions, will be zilch.

It will be filed, and he will stand up and say, "I have forced the federal government—I am leading in this particular new view." I am familiar with the arguments in favour of inflation accounting, I really am. But I will tell you he is wasting his time—he is spinning his wheels when he should be addressing his mind to the very real problems of productivity.

We will be supporting this bill because we are afraid not to. We are afraid that there may be a further flight of capital from this province if we don't support the bill at this time. But I will be moving an amendment in committee which will be asking for a complete study of the effects of this bill over the next calendar year on job creation, unemployment, investment and growth in the productive sector. That is the kind of definitive answer that the government should have before they come back to this House with this kind of a bill. They should have known. I am sorry they don't know. We are going to move this amendment and we would ask for your support.

Mr. Reed: You missed a good speech, Bill.

Mr. Angus: That is okay. Odoardo is here.

Hon. Mr. Davis: I heard it.

Mr. Cunningham: Did you understand it?

Mr. di Santo: For the benefit of the House and the Premier who has just come in, I rise in opposition to this bill. Not only for the reasons expressed by my colleague the member for Beaches-Woodbine, but also because I think that this bill is unnecessary at this time. I think that the Treasurer of the province is consistent with his principles. When he announced this mini-budget or micro-budget—what ever it is called—

Mr. Angus: Mishmash.

Mr. di Santo: —he maintained a position that this government took last year immediately after the election. This is a position of imposing restraints on Ontario, no matter whether we are dealing with social services or with the economy of the province. While we see other parts of the world attempting to solve the problems of the economy, trying to put the economy in an expansionary position in order to create jobs and create new wealth, the Treasurer of Ontario insists on a position that will definitely keep our economy in a stagnant position for a while. In fact, it isn't a surprise that the only bill that he introduced is this gift to the corporations—$160 million.

We all know that in the United States the new president, immediately after being elected and in the last week, said quite clearly that there is a serious problem in getting that economy moving. One of the measures he will likely be taking will be to reduce income tax so that the economy will have more money available. Then there will be more demand and the economy will keep moving again.

In Ontario the Treasurer has taken the opposite position. The only decision made in his mini-budget is that he wants to keep our economy the way it is now. He wants to ensure that the corporations of this province will be able to save more money in terms of profit and in terms of tax exemptions indefinitely. I think his assumption is that the American economy will recover and then our economy will recover as a result of our having access to a revised American market.

Hon. Mr. Davis: What has happened to your economic nationalism?

Mr. Samis: Realism, realism.

Mr. di Santo: That is what I am saying. That is what the Treasurer said last week to the House. He thinks the American economy will recover and will be put in a position of growth. But if that doesn't happen what will happen to Ontario? We have 262,000 unemployed people now and unless we put our economy in a position to create new jobs, next year we will be in a worse position and this government is not doing anything.

I think that by giving $160 million to the corporations we don't solve any problems. All our problems stem from the fact that you are following the old strategy of selling raw materials, and that strategy doesn't work anymore. It was proven three years ago by a person who is not a socialist—he is a Liberal by the way—Pierre Bourgault, in his book Innovation and the Structure of Canadian Industry—

Hon. Mr. Davis: I am glad to hear there is a distinction.

Mr. di Santo: —published by the Science Council of Canada.

Mr. Roy: Leave the minorities alone.

Mr. Breithaupt: Don't be too hard on this guy.

Mr. di Santo: He said quite clearly that tax incentives won't work in an economy like ours.

We know that our economy is dominated by multinational corporations. In a semi-clandestine publication which came to our attention—but I think not to the attention of all the members—called Foreign Control of Ontario Industry, October, 1976 the Treasury quite explicitly says that in comparison with other provinces foreign-controlled corporations are over-represented in Ontario. In Ontario it's quite a unique situation—more than 50 per cent of the machinery industry is controlled by foreign corporations and 50 per cent is imported from the States.

If we follow what the Treasurer said in his speech, that we ought to encourage job creation and productivity, we know that it won't work because the manufacturing industries we have in Ontario are foreign-owned. We know that the knowhow, the research, is done abroad, mainly in the States. In Ontario, we have assembly parts manufacturing industries, like in the automobile industry, or industries which are manufacturing on the basis of a licence from foreign-controlled industries. That means that most of the Canadian companies which are foreign-owned don't even need investment at this point, because most of the American companies are trading between the head office and the branch plants.

This type of structure of our industry was based on two premises: The expansion of the American market and the availability of infinite resources. We know now that both these premises are untrue, because the American market is in trouble and we are running out of resources.

Since we have a branch economy, I think we should try to devise a different way of restructuring our industry. The Treasurer made a serious effort last spring when presenting the budget, in reviewing the auto pact. We all know that in Ontario, where 90 per cent of the auto industry is based, we are in a chronic crisis in that industry. It employs directly 100,000 workers and indirectly 600,000, because there are six jobs attached to each job in the auto industry. I think the Treasurer is basing this bill on the false premise that we can still count on an expanding American market for resources that are running out and which we won't have in a short term. Unless we reorient our industrial structure we will be in serious trouble in a short number of years.

[9:15]

Mr. Conway: Give it to them, Odoardo.

Mr. di Santo: I also should point out, Mr. Speaker, that in this mini-budget the Treasurer spoke, quite at length, about productivity, and of course one of the points he made was that we have at this time higher wages than our neighbouring market, the American market. I do not think that's the reason we are in trouble, and that is why I think this bill won't work; because even if it is true that we have higher wages, it isn't because of that that our productivity is low. Our productivity is low because, as I said before, we have a branch-plant economy and there is no interest on the part of the head offices of our companies, the multinational parent companies, to invest money in Canada unless the returns are very high.

Apart from that, I think it has to be considered that that is one of the rationales for the imposition of wage controls. We are in a situation where when Canadian workers become more confident and start buying durable goods, what happens is we have to increase our imports, and for that reason our trades deficit is now $5 billion.

What we are doing now is servicing our investments with our foreign investment, and I think that's quite clear. We are in a circle where we borrow money from New York, and as we know the interest is very high, so that then the Canadian companies cannot invest and as a result the productivity is very low.

We have to reorient, we have to change the structure of our industry, otherwise we will be continually going in a circle and in the long run we will be in serious trouble.

The Treasurer's forecasts are pretty optimistic, and in the short term his forecasts could very well be justified, because if the American economy recovers we can be fooled by the performance of the American economy; but in the long range we will be in trouble because we will end up with a resource-based country without resources, and without independent secondary manufacturing industries.

For these reasons I think this bill is superfluous. It won't help to solve the economic problems of our province. It will only give a gift to the corporations; and I think that's something the people of Ontario, at this point, don't need.

I think the Treasurer is consistent to his principles, and the Liberals are consistent in their inconsistence in supporting this bill—

Mr. Conway: Now, now.

Mr. Samis: Right on.

Mr. di Santo: It isn't an accident that the only commission the Treasurer set up is a commission to study the effects of inflation on corporate profits. He didn't set up a commission to study the effects of inflation on people on fixed income, on pensioners and on tenants. I think that is part of the philosophy of this government, but it's a philosophy that we reject because we understand the reality of the industry in Ontario in 1976 and we know that we need a new strategy.

Mr. Conway: Do you think the member for Lake Nipigon agrees with you?

Mr. di Santo: Of course. We all know that he agrees.

We think this is only a small bandage that won't do any good for the economy of Ontario.

Mr. Deputy Speaker: The hon. member for Perth.

[Applause.]

Mr. Edighoffer: Mr. Speaker—

Mr. Samis: You've now got John Lane applauding you.

Mr. Edighoffer: Really? Oh. Mr. Speaker, I'd like to—

Hon. Mr. Davis: Say, Hughie, this is the first time in a while.

Mr. Peterson: What are you doing here tonight, Bill?

Mr. Edighoffer: I find it pays not to say too much; that's the way you get all the votes.

Mr. Speaker, I'd like to make a few comments on this bill—

Mr. Deputy Speaker: And I'd like to hear them too, if people would keep their voices down.

Mr. Edighoffer: I'd just like to make a few comments in regard to this Act amending The Retail Sales Tax Act. I've been sitting here listening carefully, particularly while the New Democratic members were speaking. I find it most interesting how they are trying to justify voting against this bill or, I suppose, voting in favour of a tax increase.

Mr. Laughren: That's pretty convoluted.

Mr. Edighoffer: It is. I want to be brief, but I have two concerns regarding this legislation.

I looked back to the budget in 1975, when this particular sales tax exemption was taken off production machinery, and the Treasurer said then he would take selective action that would stimulate the economy immediately. Included in those stimulants was the elimination of this sales tax on production machinery; that is, where the value of machinery exceeded $15,000. At that time this party agreed, because the Treasurer believed that the economy needed only a temporary stimulation and hoped that it would recover to a higher level. I thought we might have had more figures placed before us by the Treasurer to show that it had worked, but to date we certainly haven't seen those.

Many of the previous speakers have stated unemployment figures; I don't wish to repeat those, but we know they're not good, and particularly when in the mini-budget, which the Treasurer read on November 23, he said: "No improvement is foreseen for unemployment in Canada and business investment is expected to remain sluggish." In this particularly pollution-conscious age, I think the section which adds to the definition encompassing pollution control equipment and

equipment used to remove waste in noxious forms, is excellent.

Mr. Conway: Not including the NDP.

Mr. Samis: And the member for Renfrew North.

Mr. Edighoffer: I can't argue against this, as I feel the Minister of the Environment (Mr. Kerr) has not been active enough and I hope that business takes up the tax exemption in this regard.

I believe one of the previous speakers just touched upon one of the areas in this legislation which bothered me to some extent, but I'd just like to put on the record the last part of section 3(1), which reads:

"But the exemption conferred by this paragraph does not apply to any type or class of machinery or equipment prescribed by the minister to be excluded from this paragraph, or to any machinery or equipment used in any manner, process, industry, enterprise or by any person prescribed by the minister as not entitled to the exemption conferred by this paragraph."

When I went back to the mini-budget statement I noticed that he stated very clearly that "this will exempt from tax all production machinery"—and I underline all—"all production machinery and equipment used by the private sector in the production of tangible personal property." I would like to have a good, clear explanation by the minister of what will be exempt by this section.

The other concern which I have, and which the member for London Centre touched on, is the fact that I've dealt with human beings for some length of time—

Mr. Conway: Not including the NDP.

Mr. Edighoffer: Oh yes, quite a few; and in the great riding of Perth too.

Hon. Mr. Taylor: Some over there, Hughie.

Hon. Mr. Davis: Some of your own members.

Mr. Laughren: Don't talk to us about humanity, you didn't even give Marvin Shore a going-away party.

Mr. Edighoffer: He didn't let us know.

Mr. Ruston: He just flew the coop.

Hon. Mr. Davis: There are a couple of others we'd welcome.

Mr. Roy: You are really hard up for members, aren't you, Bill?

Mr. Edighoffer: I have to say, Mr. Speaker, that incentives are a great thing and hopefully this legislation will help. As the Treasurer says, it has to in some way help to promote the economy.

I agree with the comments made by the member for London Centre that this legislation should have an amendment which would make the Treasurer present information to this House within one year, that would be by the end of 1977, so that this programme could be reviewed to see just what it is doing for the economy.

I hope that this will go to the committee of the whole House, where I will certainly support, not only the legislation but the amendment.

Mr. Swart: I want to be one of the several from our caucus speaking on this bill, because I suggest it is a very fundamental issue. As has been said before, it is the centre-piece of the government's proposed economic strategy for 1977—in fact it's really their only piece of strategy—and that strategy as stated is to sustain economic recovery without rekindling inflation.

This further $160 million gift to the corporations—plus perhaps another $80 million, depending on what arrangement they can make with the federal government—and cutbacks in social services and education, local government projects, that's the total answer of the Treasurer to the economic problems facing the province.

I want to say immediately that it is immoral; it puts the burden on those least able to bear the load; and it won't work. I think my colleague the member for Beaches-Woodbine has already documented that.

This government lays the blame for inflation—and largely for the problems with our economy—just on two things: One is escalating wages and the other is excessive government spending. I suggest to the Treasurer that he neglects the most important cause of all and that is unemployment, the massive underutilization of the talents and the skills and the labour of our people.

It's really a major twofold cost to our society. One part of that is income maintenance; and in this nation at the present time for this year there will be something like $3.5 billion spent on unemployment insurance, paid out in unemployment insurance paid out to people who would like to be working. The other income maintenance programmes will bring that up to $5 billion that is going to be paid to people who would

like to be working but are unable to find jobs—and of course one third of that total is in this province.

[9:30]

The second cost of this unemployment is running at undercapacity. Statistics show we're running at only about 85 per cent of capacity in this nation. If that is the case, we are los ng something like $15 billion in production annually, of which a third would apply to this industrial province—perhaps more than that because we are the major industrial province. There is something like $5 billion to $7 billion which has to come out of the economy from somewhere and be added to the price of the products we buy.

I say that in itself is the greatest cost of inflation in our society. If unemployment is the major cause of price escalation, the government restraint measures which put people out of work without a plan for alternative employment are meaningless in combating inflation and are counterproductive, even in the field of inflation.

In times of inflation, in times of economic problems, the need for full employment assumes a greater significance than it does at other times. Thus an economic plan for full employment must have the highest priority but it has very little presence at all in the plans of the government of this province.

For economic reasons and for human reasons, unemployment and social priorities cannot be subordinated to so-called fiscal restraint. Really, in a rational society the degree of government services should be determined only on their needs compared to the needs of private services, and be cut back only when there is a shortage of manpower for the private services; and I say if that is the goal in fighting our economic problems there are measures available to accomplish it.

There have been figures thrown around here this evening about the various levels of unemployment in the provinces throughout the nation. I say that it is no accident Saskatchewan has the lowest unemployment rate in Canada. Its unemployment rate as a percentage of the work force is the lowest of any province in Canada; the actual is 3.2 per cent and the seasonally adjusted is 3.4 per cent. Manitoba, with the other NDP government, hasn't had it quite as long yet and hasn't been able to implement quite as many employment measures. It has the third lowest unemployment rate in this nation of 4.6 per cent, seasonally adjusted, compared to Ontario's 6.2 per cent.

They are building houses in Saskatchewan. The member for London Centre, I think, mentioned house building and the increase this year of an average of five per cent. It's up to a 10 per cent increase there this year—

Mr. Conway: The Greyhound express to Regina is just leaving.

Mr. Swart: —largely because they have a high degree of public land development. The speculators haven't been permitted to drive the price of houses out of the reach of so many people.

Mr. Speaker: Order, please. We are supposed to be discussing An Act to amend The Retail Sales Tax Act and not straying into general economic philosophies.

Mr. Peterson: That's good—I agree.

Mr. Swart: May I say respectfully to the Speaker that The Retail Sales Tax Act we have before us is a matter to stimulate the economy. I want to point out that the way to stimulate the economy is to have full employment. There are other alternatives and I will get into the details of them.

Mr. Speaker: Order, please. I must point out that this bill has to do with amending The Retail Sales Tax Act and a general discussion of the economy is not part of the debate this evening. Some other time, yes, but not tonight.

Mr. Eakins: It was last week's debate.

Mr. Ruston: Turn the page and use the other speech.

Mr. Swart: I'll try to restrict my remarks to the bill, but I would point out that the debate has ranged rather wide on the economy to this point.

I would point out that the Saskatchewan Bureau of Statistics said: "A combination of international grain market strength and rapid expansion in both private and public investment allowed the province to insulate its economic position from the unfavourable events effecting the national economy."

Mr. Speaker: Really, I must respectfully point out again that has nothing to do with this particular bill. If the hon. member would stick to the philosophy of this bill we would be in order and would much more expeditiously complete our work here.

Mr. Conway: You are being told you are irrelevant.

Mr. Swart: May I just say then, Mr. Speaker, that the alternative to the $160 million giveaway to the corporations is a programme to provide employment in which the government takes responsibility to provide direct employment for the unemployed; that will do more to stimulate the economy than giving away the $160 million.

Does anyone really believe that when we're running at 85 per cent of capacity in the province the corporations are going to invest in a lot of new machinery because the government has given them $160 million? They had that concession in 1975, and as the member for Beaches-Woodbine pointed out employment in industry at that time fell by 6.5 per cent. It's the wrong approach. It just simply won't work.

If it's profits and financial concessions alone that provide economic bouyancy and minimize inflation, then Canada should be in a period of unprecedented prosperity instead of experiencing serious unemployment and economic recession. In 1972 net profits went up to 18.7 per cent after they paid taxes. I'm sure these figures are familiar to the Treasurer although of course he gives different ones in the statement because these wouldn't prove his point. In 1973 profits went up by 43.2 per cent; 1974 by 24.1 per cent; last year by 5.2 per cent—for a compound increase of approximately 135 per cent in net profits over those years.

Wages during that same period of time showed a compound increase of something like 65 per cent. May I suggest that perhaps it's this imbalance that is causing our serious unemployment problems today rather than the shortage of money to buy new machinery? If there was more purchasing power in the hands of the people of this province so they could buy more of our goods, there would be more people put to work; and instead of running at 85 per cent of capacity we'd be running at 95 per cent.

Mr. Conway: You tell him, Mel.

Mr. Ruston: They're going to save $300 million.

Mr. Swart: I suggest, Mr. Speaker, that all the evidence indicates it's the wrong method, being used at the wrong time. It's the same tactic used in the depression of 40 years ago —use restraints, reject planning, rely solely on the private enterprise system.

Mr. Peterson: Were you there, Mel?

Mr. Conway: I remember.

Mr. Swart: It didn't work then and it's not going to work now. We need conscious job creation and more purchasing power. It's a fact that this is the only alleged job stimulation programme, there is no package whatsoever being presented to this House.

Mr. Kerrio: Put them all on the payroll.

Mr. Conway: Social Credit, Darcy.

Mr. Swart: I say that this bill, rather than being a method that will solve economic problems, is simply another step in the so-called privatization of the economy, without any concern for the effect on the economy or the injustice created, or without being any help in solving unemployment.

The views expressed in the special programme review which was brought down a year ago, and I could quote them, are repeated almost word for word in Ontario Economic Strategy in 1977. That document proposed reprivatization; cutting down on the amount of money spent in the public sector and providing more assistance to the private sector. This bill is simply part of that.

It's part of the same proposal to transfer some of the Gray Coach Lines to Greyhound Lines; reprivatization. It's part of the same plan of turning over the operation of the campsites in the provincial parks to private operators; and it's part of the same plan of cutting back in assistance to local governments. They cut the public services and they up the taxes.

Mr. Maeck: What has this got to do with the bill?

Mr. Swart: It's all contained in this document; that's the primary purpose of the bill we have before us.

Mr. Peterson: You can always put up your pup tent at Queen's Park.

Mr. Conway: Like a Gatling gun now.

Mr. Swart: In addition—

Mr. Bounsall: You can't find $8 million for campsites.

Mr. Swart: In addition to the items that I have mentioned—

Interjection.

Mr. Swart: —I would say the bias against the public sector is shown in this bill by the fact that the tax exemption is not being given to local governments. Even if they have to buy the same equipment as an industry, they are going to have to pay the sales tax on it. The Treasurer of this province and the Minister of Revenue (Mr. Meen) have stated on

many occasions that under the proposed tax reform they want to tax public buildings so that it is visible and there's equality between the public and private sectors. I suggest that equality should be extended in this field as well.

Hon. Mr. McKeough: What tangible personal property is produced by the municipality?

Mr. Swart: The hydro commissions can be buying transformers. There's all kinds of equipment they'll be buying.

Hon. Mr. McKeough: No.

Mr. Swart: This bill is the result of some sort of a private enterprise obsession by the Treasurer to whom the panacea for all our economic ills lies in the profit system, and the more profit the better the system.

I suggest that the basic thrust of the SPR is wrong and this bill is wrong. The net result of this bill will be to give another $160 million out of the public purse to the corporations, with no improvement in the economy or in employment.

If my remarks perhaps don't convince the Treasurer, as they surely won't and neither will those of our party, I would like to quote from his own god and his own bible. In the Globe and Mail of Noember 29, I believe, the following comment was made by Mr. Dennis, the president-elect of the Canadian Chamber of Commerce, when he spoke about these proposals. He said—and I quote him as he was quoted in the Globe and Mail—"They do not represent a major step. I wouldn't think it will stir it (the economy) up."

Mr. Conway: Tomorrow starts today.

Mr. Swart: Finally, I would like to quote from the document prepared for the special programme review—if I can find it—which is the one I really want to refer to, in which Mr. Henderson states: "It is recognized that this strategy will no longer be appropriate if the economy weakens and the anti-recessionary measures have to be introduced." I suggest we are at the time now where we have to look at some other proposals.

Hon. Mr. McKeough: We are not in a recession. Nonsense.

Mr. Shore: Give him a big hand.

Mr. Speaker: Does any other hon. member wish to speak to this bill? The hon. member for Ottawa East.

An hon. member: Sit down, Bill. Don't go now. You're going to hear the best—

Hon. Mr. Davis: I am coming back. I am coming back.

Mr. Roy: Mr. Speaker, I do enjoy that.

Hon. Mr. Davis: I just want to get this on my card.

Mr. Roy: I hope it is only a matter of coincidence.

An hon. member: Don't go away, Bill.

Hon. Mr. Davis: I'm coming right back.

Mr. Roy: I appreciate, I say to the Premier, that it's difficult to take the truth right between the eyes.

Hon. Mr. Davis: Mr. Speaker, on a point of order. At least there's something between the eyes to take the truth, which the member for Ottawa East doesn't understand. I'll be back.

Mr. Cunningham: Is that an election promise?

Mr. Roy: Keep losing your money on the Toronto Argonauts.

Hon. Mr. Davis: You lost on Saskatchewan, in fact.

Mr. Speaker: How about Bill 170 now?

Mr. Roy: Mr. Speaker, I must say with all candour that I feel compelled to rise and participate in the debate on this bill. What I have to say is spontaneous; it's not prepared, it's just something that springs to mind from the failures of this particular legislation.

Mr. Speaker, my colleague the member for London Centre keeps pulling my jacket, saying that we're supporting this legislation.

Interjections.

[9:45]

Mr. Roy: I keep telling him not to fear, that I'll support it in my comments. Really, we are supporting the legislation because, as you know Mr. Speaker, we as a party, as much as we would like to present legislation which makes more economic sense than this legislation, are prohibited under the rules from doing so. Our options are somewhat limited and hopefully the amendment proposed by my colleague will be accepted.

It seems to me, looking at the economic future of this province that the predictions are not all that enlightening; they are not all that favourable. I am concerned, basically, that among the people in charge of the economy of this province the Treasurer, and

even at the federal level, there seems to be a lack of imagination in looking at the economic future.

It seems we go back to the same old policies all the time. The only way we seem to generate economic activity is through some form of tax concession which we promulgate from year to year.

An hon. member: No imagination.

Mr. Roy: Yes. It seems to us that the Treasurer and all the experts he has around him—and having spent three or four days in Ottawa with all the experts there—could have come up with something with more imagination.

It seems to us, looking at the problems in this province—we know we have unemployment problems; we know there are problems in the investment community; we know we must ensure that the manufacturing community is competitive—when we look at all these factors and look at the deficiencies—for instance, in the area of housing—surely there's something which could have been done in this area to increase economic activity and at the same time create jobs? It seems to us that the mini-budget, so called, presented by the Treasurer two weeks ago, lacked that type of imagination.

Politicians in this government—I suppose it's normal for a government which has been around so long—seem to lack this type of imagination. It seems to us that, considering they had apparently learned their lesson in 1975 to look at some new economic approaches, there could have been something with a bit more imagination than this legislation.

That's what concerns us about this type of legislation. For instance, when we consider the lack of housing accommodation in this province, especially the lack of rental accommodation, what is wrong with somehow stimulating that area of the economy?

The Treasurer's colleague, the Minister of Consumer and Commercial Relations (Mr. Handleman), keeps talking about removing rent controls and says he is not going to stick around if rent controls are carried on for a period of time after the law expires. He knows full well and the Treasurer knows full well that with the pressure of the lack of rental accommodation in this province it would be disastrous to do this.

Instead of looking at the same old type of approach, why is there not some stimulation in that area? Why aren't we looking at this and, at the same time as we are creating accommodation which is much needed in the province, hopefully we can create jobs for people. In the process of reducing unemployment and creating accommodation, we would at the same time take away some of the government bureaucracy. The sooner we get adequate rental accommodation, the sooner we can take off such measures as rent control; but we can't do it as long as the government is not prepared to look at that field of activity. I reiterate that it seems to us that with a government which prides itself on being made up of business managers and having experts around them, with the Treasurer who has been at this job for some time, there would be more imagination in approaching this type of problem. I have made one suggestion; there possibly could be others.

Our concern and the purpose of our amendment is to get some sort of accounting of what is happening when we are giving out these presents. It seems to us that makes sense and it seems to us as well that the Treasurer, who never thought of this possibly, will accept our amendment and will support it as well, hopefully. This is going to prove or disprove what we are doing here this evening by giving these presents.

The point I want emphasized and when I said it before it was said very spontaneously, Mr. Speaker, I would hope that when you look at the poor economic forecast, not only in this province, but right across the country—in fact right across the whole world—that the economic managers in this country would have more imagination in planning our future. Surely when we consider some of the problems that we have today, not only in this country but across the world, where you have at the same time inflationary pressures and unemployment, that it requires this type of imaginative economic approach. I would hope to see this government take that position.

Mr. Deans: I have been thinking a great deal about this bill since the Treasurer introduced it, wondering just what can be said that might be new.

Mr. Shore: If you can't say anything new, don't say anything.

Mr. Deans: The fact of it is that from the very day the bill was introduced it was evident that it wasn't going to be satisfactory in terms of the production of the jobs. It was also evident that it was going to work an additional hardship as far as consumer prices were concerned. One became caught in between on this bill.

Let me go back, for a moment, to 1969 with the Treasurer. When the then Treasurer introduced the bill to impose tax on production machinery, we said to him we thought that probably that was not a good idea. All that would happen would be that the manufacturer would pass that tax on to the user, the user would then pass that tax on to the consumer and it would add to the cost of the finished product. That happened. The bill was introduced, the bill was passed, the bill became law and the consumer ultimately paid the additional sums.

Then the government decided to lift the tax. But when the government decided to lift the tax it didn't suggest for one moment there ought to be some guarantees that the consumer would benefit from the removal of that tax, even though it was being removed on the basis that somehow or other this was going to produce employment in the province. I can well remember the long debates on the evening of the introduction of the bill for removal of the tax and how I asked the Premier and the Treasurer if they were prepared to show by statistical information how this bill would produce new jobs in the province.

I pointed out then, and I point out again today, that the production machinery that is purchased by the producers in Ontario is to the greatest extent manufactured outside of the province, in fact the largest proportion of it is manufactured outside of the country. Therefore whatever number of jobs may be produced by the production of the machinery, those jobs are produced either in other jurisdictions or in other countries.

The second important point is that production machinery, by its very nature, is more automated than the machinery that it replaces. The more automated machinery, again by its very nature, eliminates jobs, it doesn't create new jobs. So I fail to see the reasoning of the government in this particular area other than that they want to give a tax break to those people who support them.

I don't understand how any thinking person could reasonably put forward an argument that would show either statistically, or even by some conjecture, that the removal of this tax, which would encourage the further production of more machinery, could in any way create a substantial number of new jobs in the province. In fact if one were to take a look at the productive capacity of the province today based on the machinery that is currently in place, one would find that Ontario is not yet at its maximum in terms of productive capacity. Even the machinery currently being used you have to continue to replace because it wears out, and we all understand that, but the machinery currently being used is not being used to 100 per cent of its productive capacity today. So to make an argument in this Legislature that the elimination of this tax on production machinery will somehow or other create either a great deal more in production or more in the way of jobs in the province of Ontario is absolutely wrong. If the government wants to tell me it's the purpose of the government of Ontario to improve the profit margins of the various industries across the province and that's the reason it's removing the tax, so be it. If that's what it wants to tell the public, if that's what it wants to tell the Legislature—that it wants to remove this tax because it wants to create a better profit picture for the companies of the province of Ontario who are in the manufacturing of products—then let it say so and be honest about it. If that's what it is then let the government be honest about it and say that's why it's doing it.

Mr. Conway: Such passion.

Mr. Mancini: Don't get carried away now. You're doing a good job.

Mr. Deans: But for heaven's sake, let no one attempt—not even as Liberals—to justify support of this bill by somehow or other claiming that this will create jobs.

Mr. Conway: You tell us, Santa Claus.

Mr. Roy: Don't attack us too hard—it hurts.

Mr. Deans: I admit—in fact I don't admit, I argue quite continuously—that there is a need for job creation in the province of Ontario. But this government has no manpower policy and no policy for employment creation that one could reasonably put before the Legislature and claim that this was the policy of the government of Ontario.

Mr. Conway: Name a few of yours, Ian.

Mr. Deans: The second point, and I think it's important, is that if we are about to embark on a programme of alleviating the tax burden in the province of Ontario, then I think the government could reasonably begin at the lower income level. It's more likely that the removal of a tax or the reduction of a tax on low-income earners would be more of a stimulation to the overall economy than the removal of a tax on production machinery would be.

If you were to use the moneys that you apparently don't need to reduce taxes in the province of Ontario, albeit by a small amount, that would be more likely to create more employment and that would be more likely to create more productivity and more production in the province of Ontario than the elimination of the machinery sales tax; the reason being that the majority of people, if they were to be given additional money in their pocket, would spend it. The very fact that they would spend it would in itself create an economic stimulus which would be beneficial in the overall to the province and to the tax picture of the government of Ontario.

The third point I want to make is that if the government felt there's $160 million in the coffers of the province of Ontario that it doesn't need, that it can do without, then let it reduce the deficit by that amount. If it feels that it can get by without that $160 million, let the government use it to pay off some of the deficit that it's built up, thereby relieving some of the burden that people in this province, working every day for a living, punching in and out, are required to pay in order to pay the total tax burden of the province; or let me suggest to the government that it might be, at least from our point of view, more advantageous to take this money and use it for actual production of jobs.

We could in fact have used this money in the housing market. We could have gone into the housing field and we could have created jobs at a far greater rate and in a greater proportion in ratio than can be created through the elimination of this machinery tax.

If the government has $160 million that it doesn't need, that it thinks it might be able to use to stimulate the economy, as it says it thinks it wants to, then for heaven's sake let it use it for two purposes: Let it use it not only to provide the necessary housing but to stimulate the economy at the same time.

It would seem to me that the way this government has gone about this is exactly the wrong way. It has simply added to the profit pictures of a number of corporations which, because of the corporate planning that goes on, had planned some many years ago to replace or to purchase machinery they will need for future production purposes. Let me tell you further, Mr. Speaker, that in the area of production machinery, once one eliminates the tax all that's been done is to make for a faster write-off, because there are already write-off provisions within The Income Tax Act which allow each and every one of these companies to write off their production machinery in any event.

So this in itself proves to be of little benefit—

Hon. Mr. Snow: Just part of it.

[10:00]

Mr. Deans: Or most of it. All of the cost is added to the consumer price and most of the cost is written off. All of it is added to the price and most of it is written off.

Mr. Shore: I don't think you really understand it.

Mr. Deans: I think I do and I'm on the same side I was on the last time.

The interesting thing about it is this: If the Tories really want to create jobs, if that's their objective in life, for heaven's sake let them spend the money wisely and not only produce those jobs but do something socially useful at the same time.

The corporate profit picture at the moment in the areas where this is most likely to be used is, to say the least, healthy. I'm not going to suggest it is over or under what might be expected because each company has its own particular profit picture. Overall, it's healthy and at this point in time this is not needed in the province of Ontario. If the government has $160 million to spare they could be used much more wisely.

For those reasons we simply oppose what the Treasurer is doing. He shouldn't be doing it now. He should not be going ahead with the elimination of this tax. At least, if he insists on doing it, he should be trying to bring in some guarantees that this will be beneficial to the people of the province of Ontario and not simply beneficial to the corporate profit pictures as they are currently set out, which are adequate if not over-inflated.

Mr. Deputy Speaker: Does any other member wish to participate in this debate? If not, the hon. minister.

Hon. Mr. McKeough: Mr. Speaker, I will be relatively brief in what I have to say. There are several questions which I think I might answer first.

One of the first suggestions had to do with what additional exemptions there were for the 1975 bill; what deletions and what differences there were with the federal bill.

There are no additions; I think that's a safe statement. Some of the deletions are closed circuit television and smokestacks. The difference in what we've attempted to do is to

align it as closely as we could with the federal Act.

There are some differences from the federal Act. Perhaps the largest one is that the federal definition really gets into repair parts in the maintenance. Members are aware of the 25 per cent figure which we used, and that's a very large difference in terms of dollars and cents. I think the figure I saw was about $160 million to include repair parts. Although we have many requests to carry that exemption further, that's the large difference with the federal definition.

There are some others—geophysical surveying equipment; plans and drawings. I think that's the basic difference. The very large difference is in the repair area. I think perhaps that was the only serious question which was asked at this time.

Mr. Speaker, you've been in the chair for part of the time and it has been a rather wide-ranging debate. It was an interesting debate but little said tonight has surprised me, particularly from my friends in the third party—

Mr. Kerrio: The Liberal Party.

Mr. Roy: Say the Liberal Party for a change.

Hon. Mr. McKeough: No, the third party. Some people refer to it as the odd party. I would say the third party.

Mr. Kerrio: Takes one to know one.

Mr. Cunningham: Tell us about budget paper E?

Hon. Mr. McKeough: Perhaps I might deal with the request by the third party and the amendment which it has tabled and which I seem to have lost but which I will look at.

Mr. Roy: When we get in first place it will look like a real upset, won't it?

Hon. Mr. McKeough: A full and complete study of the kind the official opposition would like to see can't be accomplished before 1978. There is a carry-over provision, as the members well know, from the present bill, for the present exemption of goods which are delivered by December 31, 1977. There is evidence available, however, as we pointed out in the statement when the bill was introduced, which clearly demonstrates the relatively high level of the sales tax burden in Ontario vis-à-vis our neighbouring jurisdictions.

In addition the investment—the member for Beaches-Woodbine pointed this out and perhaps it's a good point to comment on now—she made some statement about the total tax burden and I really can't agree. It's hard to generalize but in the US the combination of federal taxes, state taxes and, in some instances, local corporate taxes, given their investment tax credit—which, by the way, was something promoted in the United States largely by organized labour which is more enlightened than the party which claims to represent organized labour in this province at any rate—the investment tax credit, by and large, gives a lower rate of corporate tax in the United States than here.

The member for Beaches-Woodbine mentioned other taxes. She mentioned municipal taxes which are generally lower in the United States; gasoline taxes she mentioned—they're lower in the United States. The one possible difference is the capital cost allowances which in this country are higher than they are in the states in the depreciation schedules. Taking the lower tax rates in the states on the corporation side, even with our more beneficial capital cost allowances, the end result is that the corporation taxes in most jurisdictions in the states are lower than ours.

As she has pointed out, the sales tax burden in neighbouring jurisdictions, particularly in this area, is nil. It is also nil in the province of Quebec. It is also nil in several other provinces in the country. I would have to say, however, that our main concern about the reason for the exemption is competition from the south rather than competition from the rest of Canada. That's where a great deal of our competition comes from.

Going on, as I said, the investment statistics show that since 1975 the gains made by the private sector in Ontario in terms of investment in machinery and equipment have been substantial. These facts, together with our assessment that the investment climate in this province must be improved, supports the course of action which we have proposed.

Governments in other countries—the United States, France, Germany, the United Kingdom—have used the same approach in their taxation decisions. Subsequent studies have proved the value of such investment incentives.

I particularly want to draw to the members' attention the federal decision to extend indefinitely the manufacturing and processing fast write-off incentive beyond 1974. That's a decision which we've paralleled but only to the end of 1977 and we will have to make up our mind whether we will continue to parallel that particular decision of the

federal government which we enacted here for a five-year period.

That measure was originally introduced in 1972. Ottawa was concerned, and properly so, with the competitive threat of the United States' DISC programme and had to act swiftly to counter it. A detailed review of the impact of that tax measure was not available at the time the decision was taken to extend the incentive. However, a review was subsequently undertaken by five federal government departments and the result, based on a survey of about 1,000 corporations, supported the original decision.

The implementation of taxation with fiscal incentives to stimulate the economy should ideally, of course, be based on complete and detailed statistics and information. We seldom find ourselves in such a fortunate situation and our decisions must often be based on whatever information is available at the time. Sound judgement based on the facts at hand is the basic ingredient of economic policy decisions. Failure to act until detailed information is available, given the long lag in statistical reporting and analysis, would be a serious mistake.

Mr. Peterson: But you have had time, Darcy. You have had time.

Hon. Mr. McKeough: Let me say, we have not had time. The exemption is still running obviously, and would run through to the end of 1977, if the member had listened to what I just said.

The fact is our economy is reasonably healthy. It is going to have to be healthier. Today we're operating at about 85 per cent of capacity, but if there is a continuing upturn in the United States and a continuing upturn in this country, then that excess capacity is going to be used up.

And it is today—not two years from now, not three years from now—that plans should be made and decisions should be taken to replace that capacity where it is necessary and to build it up. We need excess capacity. One of the factors that set off the inflationary pressures in 1973 and 1974 was a shortage of capacity. We don't want to get back into that position again. That's what set off high prices, both in terms of domestic consumption and in terms of our competitive position in the world. That was one of the factors.

I'm really a little surprised. My friend from Wentworth argued this business about productivity, and that a better machine and a more modern machine in the short run may mean a reduction in the labour force. I would say to my friend from Wentworth that when hooks and ladders drawn by horses came in, the horses lost their jobs and the guys who cleaned up the stables lost their jobs. That was one of the inevitable results. And I'll tell him somebody else who went right out of business—the buggy whip manufacturer.

That is the philosophy of that party over there—make work, make work no matter how you do it. I'll tell them that's not going to work in today's world. Let them go out and talk to the people, the steelworkers. Let them stop listening to the dogma that they preach to each other and which nobody listens to but themselves. Let them go out and talk to the the steelworkers. The steelworkers are proud of what we've been able to achieve in Canada. They're proud of the productivity of our plants, of our workers, of our investment in that industry. We produce steel as well as anybody in the world, if not better, and we're producing it at a lower price. There's just one reason for that. It's because we haven't been held back by shibboleths on the part of dogmatic socialists who say, "The answer is to keep everybody busy and governments spending more." People have been spending and investing money in steel-making facilities and that's one of the reasons.

Interjections.

Hon. Mr. McKeough: We're proud on this side of the House. I listen to what those over there would do, and no matter how you slice it, it adds up to just what is the typical socialist answer: To stimulate the economy, more government spending. That's what they've asked for again tonight; that's their platform, more government spending, make-work jobs, LIP jobs, that's—

Mr. Swart: In Saskatchewan, they—

Hon. Mr. McKeough: Yes, and Saskatchewan raised their income taxes three points today. That's a great move, that's a great move. Sure, that's a socialist government for you. That's right. Raise the income tax; highest rate of income tax in this country.

Interjections.

Mr. Deputy Speaker: That's enough; order.

Hon. Mr. McKeough: Manitoba and Saskatchewan; the two red provinces, the two red socialist provinces. Members opposite are worried about consumption; in Manitoba and Saskatchewan, after those two socialist governments are through, the people have nothing to spend on consumption.

I agree that what we have to do, if this country is going to move ahead and is going to maintain the standard of living and the quality of life, is we have to spend more on investment. I don't disagree with the figures used by my friend. We're going to have to increase savings and investments from 22 per cent of GNP to 26 per cent; that's going to have to happen. That's going to take profits, that's going to take increased savings; and it doesn't mean more government spending, which is their answer to everything over there. I really thought, with the enlightened member for Beaches-Woodbine in that caucus, that the hon. member might have got a little less pink and a little more sensible, but it hasn't happened.

[10:15]

Mr. Mackenzie: Thank God it hasn't happened.

Hon. Mr. McKeough: It hasn't happened.

Mr. Conway: You are insulting the Chair, Darcy.

Hon. Mr. McKeough: The hon. member's friend sitting over there has converted him to a socialist like he is—

Mr. Mackenzie: Which we are proud of.

Hon. Mr. McKeough: —and which the NDP's greatest supporters, the labour unions of this province, aren't. Go out and ask them what they think about inducements for better machinery, for new machinery, for replacement machinery. Ask them about it.

Mr. Swart: You ask them and they'll talk you down.

Hon. Mr. McKeough: The members opposite are living in the dark ages. They've got a pink cloud; they think they've got it made and they haven't. You just haven't.

Mr MacDonald: You are pre-Keynesian. That's the trouble.

Hon. Mr. Kerr: He's good old Adam Smith and we love him.

Interjections.

Mr. Deputy Speaker: Order.

Hon. Mr. McKeough: Mr. Speaker, I guess we line up in this House. Those of us here and those of us over there who don't want bigger and bigger government, who don't want more and more intrusion into the private sector by the government sector—

Mr. Swart: But do want more unemployment.

Hon. Mr. McKeough: —support this bill. And those members opposite who want more bureaucracy, more intrusion into people's lives—

Interjections.

Hon. Mr. McKeough: —can vote against the bill. They can vote against it and go to bed happy tonight saying that they helped to fight for the socialist Valhalla, which is never going to come; they are never going to have to worry about governing in this province, because they are tearing the province down daily.

They tear it down. We are trying to create a climate for investment.

Mr. di Santo: For unemployment.

Hon. Mr. McKeough: We are trying to encourage people to put something back into this province. We are not going to do it by the kind of socialist dogma that the hon. members opposite have espoused again tonight, and they have espoused it in spades.

Mr. MacDonald: Go on. You don't believe it.

Mr. Grande: If that is not dogmatic, what is?

Interjections.

Mr. Deputy Speaker: Order. Can we have some order?

Hon. Mr. Snow: Bring those socialists to order.

Mr. Deputy Speaker: The motion is for second reading of Bill 170. Shall the motion carry?

Motion agreed to.

Mr. Deputy Speaker: Shall the bill be ordered for third reading?

Some hon. members: No.

Mr. Makarchuk: No. It didn't carry.

Mr. Deputy Speaker: It carried.

An hon. member: You didn't ask—

Mr. Deputy Speaker: Yes, I did.

Mr. MacDonald: No, no. You have to read it.

Mr. Deputy Speaker: I don't have to.

Mr. MacDonald: Yes, you have to.

Mr. Deputy Speaker: No, I don't.

Mr. MacDonald: Yes, you do.

Mr. Deputy Speaker: I don't have to.

Interjections.

Mr. Deputy Speaker: The procedure in this House is that you remind the House that the Treasurer has moved second reading of Bill 170. I asked for that. There were no dissenting voices.

Mr. di Santo: Yes, I dissented.

Mr. Deputy Speaker: I heard no dissenting voices.

Mr. di Santo: Yes, I dissented.

Hon. Mr. Kerr: You did not.

Mr. Deputy Speaker: I heard no dissenting voices.

Mr. di Santo: Point of order—

Interjection.

Mr. Deputy Speaker: Shall the bill be ordered for third reading?

Interjections.

Mr. Peterson: That was a very compelling speech, Darcy. You converted them all.

Mr. Deputy Speaker: I heard no dissenting voice, and I paid particular attention because I anticipated it.

Mr. di Santo: Yes, I did dissent.

Mr. Deputy Speaker: I heard no dissenting voice. Shall it go to committee of the whole House?

Mr. Good: Record their votes and say that we heard a dissenting voice?

Mr. di Santo: On a point of order.

Mr. Deputy Speaker: What is your point of order?

Mr. di Santo: I did dissent. It isn't my fault if you didn't hear.

Mr. Deputy Speaker: If you dissented—

Mr. di Santo: I did dissent.

Mr. Deputy Speaker: I paid particular attention, and I didn't hear it.

Hon. Mr. Kerr: He was looking right at you.

Mr. Deputy Speaker: If I didn't hear it, it was because of the rollicking of your colleagues.

Interjections.

Mr. Deputy Speaker: Shall the bill be ordered for third reading?

Some hon. members: No.

Mr. Deputy Speaker: Committee of the whole House?

Ordered for committee of the whole House.

Hon. Mr. McKeough: Bearing in mind the festivities upstairs, and bearing in mind the great defeat of the official opposition and the great triumph for democracy here in this House tonight under your inspired leadership, sir, I think this would be an appropriate time to move the adjournment of the House.

On motion by Hon. Mr. McKeough, the House adjourned at 10:20 p.m.

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